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**Official Report
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(Hansard)**

Wednesday 19 January 2005

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(Hansard)**

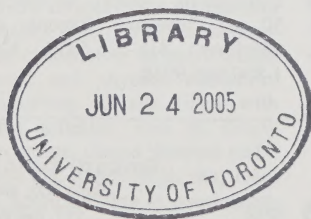
Mercredi 19 janvier 2005

**Standing committee on
finance and economic affairs**

Pre-budget consultations

**Comité permanent des finances
et des affaires économiques**

Consultations prébudgétaires



Chair: Pat Hoy
Clerk: Trevor Day

Président : Pat Hoy
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Wednesday 19 January 2005

Mercredi 19 janvier 2005

The committee met at 0902 in committee room 1.

PRE-BUDGET CONSULTATIONS

TORONTO PARENT NETWORK

The Chair (Mr. Pat Hoy): The standing committee on finance and economic affairs will please come to order. Our first presentation this morning is from the Toronto Parent Network. Please come forward. Good morning. You have 10 minutes for your presentation. There may be five minutes of questioning following that. I'd ask you to identify yourselves for the purposes of Hansard. You may begin.

Ms. Cathy Dandy: Thank you. Good morning. My name is Cathy Dandy. To my left is Cassie Bell. I'm not going to introduce by name the students standing behind me, but they are grade 9 and 10 students in the Toronto District School Board. They've accompanied us this morning because I want you to look at them as I speak. Cassie has graciously allowed me to do the speaking this morning, even though she and the other eight members of the steering committee contributed to this presentation and to all the work that we do on a daily basis to try and advocate for the rebuilding of public education.

I want to open by explaining why I have these grade 9 and 10 teenagers behind us. When I started my work as a public education activist, my son was entering grade 1. He was a little, fresh-faced blond boy with his entire school career ahead of him. Unfortunately, he and his peers standing with him, and all across Ontario at this age level, have spent the last nine years—their entire school careers—bearing witness to the effects of the dismantling of public education in Ontario: older, insufficient numbers of textbooks; crowded classrooms; reduced special education; inadequate music and physical education; drastic loss of ESL; crumbling schools filled with vermin, mould and friable asbestos; loss of family studies, design and tech programs; closed libraries and a curriculum that moves so fast that if they blink, they lose.

Teachers are stretched, administration is overloaded, and don't get me started on the loss of social supports. The kids in this room have watched their peers battle suicide, pregnancy and even the fallout from murder in our local high schools, with no adults to guide them anymore, and all because the government found other

things that were more of a funding priority than these children you're looking at.

Public education in Ontario has suffered at the hands of various governments since the heady days of the Davis Conservatives. With the shift in political rhetoric to fiscal conservatism and the accompanying public mantra of "not enough money," public education and other important social expenditures suffered a steady decrease in funding. While nobody would argue against the effective use of public tax dollars, the underlying assumption that all public expenditure is suspect and wasteful allowed for the wholesale evisceration of public schools in the name of efficiency. No government accomplished this with more brutality than the Conservative government under Mike Harris.

Public education in Ontario is still floundering 15 months after the defeat of this government under the new leadership, but not particularly new approach, of Ernie Eves. The Liberals swept to power with three key messages: rebuild public education, restore health care, and protect the environment. But the education message was the one that the Liberals put most of their energy into, with their education booklet, *Excellence for All*, taking the number one spot in the list of platform booklets, and Dalton McGuinty rashly claiming he was striving to become the education Premier. McGuinty knew that the work of parents and other education stakeholders in highlighting the decimation of our public schools had found deep public sympathy, and he rode to victory on our message.

With the advent of the new year and the approach of the provincial budget, the Toronto Parent Network decided to take stock of the McGuinty government's progress in rebuilding our children's schools. TPN had shared the hope of all parents in the days following the October 2003 election that real progress would be evident in our kids' schools. Our hopes started to wane early on when the new government started its whining about there being less money than they thought, and talk of Rozanski all but disappeared. Nevertheless, in the interest of being fair and patient, we shelved our concerns and entered into a new relationship with the Ministry of Education.

Over the past year, we have met with Minister Kennedy, talked to his staff on a regular basis, written reports, forwarded e-mails of concern, updated parents on the progress of the ministry, sat on school board

committees, surveyed schools, listened to parents' concerns, and generally spent thousands of hours advocating for the rebuilding of our children's schools. All of this is volunteer work. Our devotion to this task can be attributed to the fundamental belief in a fully funded public education system paid for by the tax dollars of our wealthy province. We have never accepted the lie that we can't afford to educate our ESL students or our special education students or that the system cannot provide all children with equitable access to the resources that will ensure they can learn the mandated curriculum.

The ministry, for its part, was open and communicative. Announcements were made that appeared to demonstrate that the reinvestment in public education was underway. Nevertheless, the first major stumble came in the last provincial budget when a key investment was missed. Minister Sorbara, Minister Kennedy and Premier McGuinty completely forgot the first recommendation of the Rozanski report. This recommendation reads as follows:

"T—that would be Dr. Rozanski—"recommend that the Ministry of Education update the benchmark costs for all components of the funding formula (the foundation grant, the special purpose grants, and the pupil accommodation grant) to reflect costs through August 2003, and that funding that reflects these updated benchmark costs be phased in over three years, starting in 2003–04, as part of a multi-year funding plan."

That would mean this September is the final year. Unfortunately, that recommendation has not been implemented. It's important to understand this recommendation, because it forms the bedrock of our presentation and our ongoing efforts to prod this government into doing the right thing. This recommendation is important because, without its implementation, all the other recommendations are weakened or even negated. Anyone with even a rudimentary understanding of Rozanski understands this. The bottom line is, unless the government pays the real costs of salaries and benefits and saves boards from ransacking other budget lines to pay teacher costs, money poured into targeted areas may not reach these programs.

I have listed in the presentation a number of quotes from Rozanski which outline why it hinges on this fundamental update and why there's no point in pouring money into ESL, transportation and so on without updating the funding of teachers' salaries. The Liberal government has ignored this primary recommendation and has made sexy announcements designed to garner it good press and has focused on the government's message on literacy and numeracy. The irony of this message is that without the implementation of the Rozanski recommendation, class sizes remain high, libraries remain closed—very bad for literacy—there's reduced access to music and physical education, ESL is a farce, school administration is stretched beyond capacity, and health and safety are seriously compromised. One of the schools these children attend had a large chunk fall down on one of their caretakers.

0910

These are hardly the conditions for improved literacy and numeracy. Surely the minister, the Premier and all of you would understand that hiring lead literacy and numeracy teachers or announcing approval of small-scale investments prompted by Rozanski are not silver bullets that will help kids. It is a complex set of factors, not the least of which is having enough teachers.

Labour costs make up approximately 85% of school board costs and these costs are not properly paid for by the government.

We want to give credit to Minister Kennedy where credit is due. There has been investment in transportation, special ed., facilities, ESL and disadvantaged students. But in the case of Toronto, it's covering the 9% underfunding gap between what the government gives them for teacher salaries and what they actually pay. If this gap were covered, we'd be able to hire 1,000 new teachers. If we were covered by the Rozanski recommendation, it would be 550 teachers, which would be a teacher per school. I can't tell you what our parents would say if they were given another teacher.

Furthermore, this money was targeted to help the Toronto board out of debt and did little to help boards like Halton. I have spoken to many finance officers across the province. They are all battling with this gap, and none of them is getting the patches received by the Toronto board. So MPPs across the province should be in favour of implementing the first recommendation, because it satisfies 100% of the boards, allows each board to assess their true financial situation and radically improves their ability to meet the needs of their students.

Interruption.

Ms. Dandy: There must be something incredibly entertaining at the back door.

I recently—I'm not going to read that part, because really you don't care about my meeting with Kennedy. Suffice it to say he's not happy with us, because we are going to keep pushing this recommendation.

What do you need to know to set the budget for Ontario? You need to know that if the budget does not include money to implement the first Rozanski recommendation, Toronto Parent Network and parents around the province will begin to mobilize for a fight. We are not partisan. We are tired, actually. We don't care whether you're Liberal, Conservative or NDP. We'll work with any government just as long as you put the money in that these children are owed.

Our fight is with those in power who refuse to own up to their responsibility. The money is there. Attached to our recommendation is the latest work by the Canadian Centre for Policy Alternatives, the Ontario Alternative Budget assessment of the financial situation of this government. We do have money.

The Chair: You have about a minute left in your presentation.

Ms. Dandy: I'm just going to conclude by saying that I want you to look at these—first of all, I want to give an example. It would be like saying to you guys, earning

roughly \$84,000, that we as taxpayers are only going to pay \$74,000 of it and you go find the money out of somewhere else. "You go dig it out of your office supplies or your cleaning budget. We're not paying any more." That's the inequity; that's the injustice of not paying the bills to school boards.

I want you to look at the teenagers behind me and tell them that the budget will contain the money needed to make their final days in the system worthwhile. I want you to tell them that you will finally stop making excuses for why there is no money in this rich province. I want you to tell them that their class sizes will drop, that the textbooks will be there so they don't fail, that the music will play, that phys. ed. will make them healthy, that bathrooms will be sanitary and, finally, there will be enough adults in the building who can take the time to help them when they stumble and connect them when they go into freefall—and they do go into freefall. After a lifetime in school, tell them that this government will do the right thing and change the funding formula, and give them and all students in Ontario—all students in Ontario—what they deserve right now. If you don't, many of them have no chance, and it is on your head that I will lay the blame. Toronto Parent Network and parents everywhere will make sure you pay the price for your failure. We've done it before and we'll do it again.

The Chair: This round of questioning will go to the official opposition. You have up to five minutes.

Mr. Jim Flaherty (Whitby-Ajax): Welcome, and I welcome the students here this morning. We do this in rotation. I'm in opposition. I'm not in the government but I'm certainly familiar with a number of the issues that have been raised. I certainly welcome you students here at Queen's Park this morning.

This is a committee of the Legislative Assembly on finance and economic affairs, so it has representation from the three political parties: from the Liberal Party, which is the governing party in Ontario; the official opposition, the Progressive Conservatives; and the New Democratic Party. That's why we're set up this way here. We make recommendations to the government in a report that comes out of the committee hearings about what we think the government ought to do in the budget that will come along in the next few months, the annual budget of Ontario.

With respect to education funding, I'll raise this issue: The budget last year did increase spending for education. Most of the money would go toward the proposed hard cap on school classroom sizes of 20, starting in JK and going forward, which is a major commitment of this government, in which the Premier describes himself as the education Premier. The major point that you are making, I think, was about the teachers' compensation and ensuring that the boards are fully funded for teacher compensation.

Ms. Dandy: Right.

Mr. Flaherty: So we have that hard cap issue, and then we have the minister's letter to the boards, or whoever it was sent to, about 2%, 2% and 3%, or whatever the letter said recently. What is your view or what is the

position of the organization with respect to those particular issues: the hard cap and the cost of that, and Mr. Kennedy's letter about the 2% proposed increase?

Ms. Dandy: To be honest, in terms of class size, we do believe that class size is a major contributor to students struggling with the curriculum. Having said that, I don't think we ever asked for a JK-to-3 class cap. What we were looking for was the true average class size to come down. What we've seen instead is a few—I think the government is quoting, 1,600 classes came down in size in the JK-to-3 panel. But what we've seen, or at least heard anecdotally in the Toronto board, is that from grade 4 to grade 8 and the rest of the elementary, they have been forced to put their class sizes up in order to move some of the teachers down into the JK-to-3 stream.

High school is a disaster. We will be having a press conference at the end of this month focusing on secondary. The class sizes in the core subjects in secondary school are a disaster. These kids are battling an incredibly rigorous, very difficult curriculum, which we could argue the merits of. Just ethically, I think, all curriculums should be reviewed from time to time. Certainly they cannot cope with the kinds of class sizes, so I think this class cap is pretty limited.

In terms of salaries, I think teachers have to be fairly compensated. As I say in my report, in a part I did not read, we have a North American teacher shortage, and the market drives the price. We are having enough trouble hanging on to our teachers.

I think Cassie wanted to say something about class cap.

Ms. Cassie Bell: I was just going to say that it's all well and good to cap class sizes, but if you're only paying 80% of the salaries, then you can't hire the number of teachers you need to cap class sizes and therefore the cap is actually not functioning terribly well. Do you understand what I mean?

Mr. Flaherty: Yes, I do.

Ms. Bell: OK. When the class cap was announced, it became immediately apparent: This whole Rozanski number one benchmark is the hinge. It opens the door to equity and accessibility for all the other Rozanski money to flow. Without it, the system is bleeding.

Ms. Dandy: Pouring it into nothing.

Ms. Bell: It's bleeding, and that is what stops your vision and the actual planning. Education needs vision and planning and consistent funding. Dr. Rozanski mapped all that out. That is one thing the Conservative government did: They brought Dr. Rozanski in and they did those recommendations. The task force did a good job; they need to be heeded. He needs to be back on the table now.

The Chair: Thank you for your presentation this morning.

REGISTERED NURSES ASSOCIATION OF ONTARIO

The Chair: I would now call on the Registered Nurses Association of Ontario to come forward, please.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Ms. Doris Grinspun: Good morning. Thank you for the opportunity to address the committee. My name is Doris Grinspun. I am the executive director of the Registered Nurses Association of Ontario.

I have many important long-term policy issues I wanted to raise with you today. I wanted to talk with you about the impact of budgets on the health of Ontarians. I wanted to speak with you about how that impact isn't limited to what the Ministry of Health spends. I wanted to talk with you about the impact of social spending on the health of our citizens, housing, environmental protection and recreation programs, for example. I wanted to praise this government for its increased commitment to spending on these types of programs over the last fiscal year and to caution the government against reductions to this commitment, because it's very important to the rebuilding process.

0920

I also wanted to speak with you about the importance of not-for-profit delivery in health care and to praise the government for repatriating MRIs and CT scan clinics into the public sector, and about our concern over the potential for increased privatization in home care.

I wanted to talk with you about how important we think accountability is for sustaining medicare and wanted to share with you our excitement and full support for the government's ambitious transformation agenda. The pillars for that transformation are impressive: integrating health care services and planning at the local level; building a comprehensive program of interdisciplinary primary health care with RNs, including NPs, serving the public to their fullest; decreasing wait times; and increasing the focus on healthy living and on determinants of health.

I intended to applaud the government's nursing strategy. I wanted to express how impressed nurses were to have a government that seemed to grasp the critical importance of increasing the number of full-time RN positions and how that improves work environments and helps nurses provide the highest quality of care to the people of this magnificent province. I wanted to cheer the government for its progress toward 8,000 additional full-time nursing positions and for its accomplishments in increasing opportunities for nurses to pursue advanced education and professional development.

I wanted to salute the government's efforts to improve the safety of working environments.

This, in fact, was going to be one of the most positive of our pre-budget presentations. But given the Minister of Health's announcement on Monday, I must turn instead to an issue that I truly believed we would not have to address during the term of this government, an issue that the profession desperately needed a break from: cuts in nursing services.

As the professional body representing registered nurses in Ontario, it is our mandate to spell out to you the

impact of cuts in nursing positions on the profession's morale and on the quality of patient care in Ontario now and in the future.

Let me start with some statistics. Ontario has the third-lowest RN-to-population ratio in all jurisdictions in Canada. In fact, we were proud, and I was going to tell you that we had made improvements from the basement level, until Monday.

Ontario has the second-oldest RN workforce in the country, with an average age of 45.1 years. Recent estimates suggest that we will lose almost 10,000 RNs to retirement by 2006. A very conservative estimate suggests we now have a shortage of 6,000 nurses in our province, and we're not alone. We are facing a worldwide shortage of registered nurses.

Let me remind you of the profound impact of nursing shortages and how these shortages are different from shortages in other professionals such as accountants or skilled workers such as electricians or other groups. All of these people perform important work and contribute greatly to our province, but the research consistently shows the strong, positive impact of RNs on health outcomes and, conversely, the impact of shortages of RNs on health outcomes. This research is described in clinical terms like "failure to rescue," "more adverse events" or "higher readmission rates." However, let me tell you what they mean in real life. They mean that your child's or your mother's health, or perhaps life itself, is at risk. It means unnecessary death and health complications—unnecessary because they happen simply as a result of inadequate access to registered nurses. That's why nursing shortages are different from other shortages. You can cut accountants' positions during an accounting shortage, but people won't die.

That brings me back to the details and impact of the minister's announcement this Monday. In his announcement, the minister said there would be a reduction in nursing. Hospitals would be cutting the equivalent of 757 full-time nurses. Because of the still unacceptably high level of part-time and casual positions, this means that far more than 757 nursing bodies will be affected—many more nurses than that number. We are not comforted by the minister's statement that some of these losses will be absorbed through attrition, early retirement and reductions in sick time, casual employment and overtime.

It is my duty to help you understand nursing and how nurses work. Nurses do not work overtime because they want to stay and have a chat and drink a cup of coffee. Nurses work overtime because there are patients who need their care and because that's the only type of employment opportunity they can achieve. Nurses don't work casual shifts because they wake up each morning and wonder, "Should I earn a living today or not?" They work casual shifts because patients need care and, far too often, that employment relationship is all that is offered to nurses, even today.

At other times, you may have heard me speak about the need to decrease overtime and casual employment for RNs. Indeed, RNAO has often urged government and

employers to decrease overtime and casual employment to ensure quality care for those we serve. But let me be clear: At the same time, we have also said repeatedly that in order to decrease overtime and casualization, you must increase, not decrease, the number of RNs and the proportion of them working full-time. Decreasing overtime, which is what the minister suggested on Monday, while reducing the number of nurses, which is what the minister suggested on Monday, is a fatal mixture, and you won't have the necessary nurses to share the responsibility and privilege of caring for patients.

Providing incentives for nurses to retire means acceleration toward retirement by those 10,000 nurses already expected to retire by 2006. It means the loss of expert nurses who can provide care and mentor the next generation. The loss of jobs through attrition means the current positions are not filled, it means understaffing, it means worsening patient care and it also means that newly graduating nurses eager to serve the public will have an even more difficult time finding work in Ontario. The more we head south of the border, the more expertise will be lost and the bigger the shortage will be. The announcement has sent a message to nurses that has chilled the profession.

For all these reasons, we urge the government to reverse its decision and send an urgent message to the nurses of this province. We urge the government to revisit this issue and come up with a solution that protects both quality patient care and nurses. RNAO will gladly provide any assistance the government needs. We are here to help, we are here to work with you, and we have always offered that assistance.

We have started an ambitious transformation. Let's not deviate from that. Let's keep on track to protect medicare, and for that you need nurses. Thank you.

0930

The Chair: In this rotation, the questioning will go to the NDP.

Ms. Shelley Martel (Nickel Belt): Thank you for being here today. I was at the announcement on Monday, and it was interesting to see the minister try to say that the lost positions were administrative only. It was a good thing that the RNAO and the ONA were there to expose that lie, because the ONA and the RNAO very particularly pointed out that the losses included RNs who work in intensive care, obstetrical care, psychiatric care, cardiac care—absolutely front-line positions. I was glad to see that, and I'm happy that you are here today focusing on this as well.

What, in your estimation, will be the real loss associated with 757 full-time equivalents? You said it's actually going to be higher than that because of part-time casualization in the hospital system.

Ms. Grinspun: Yes, it is our estimate that it will be significantly higher than that. Whether it is through overtime, as the minister said, or attrition is irrelevant. It's hours of patient care and that's the bottom line for patients, as well as the instability that it will further create in the profession.

Ms. Martel: I don't understand why we're in this position. We seem to be in the same position we had under the Conservatives. We had underinvestment in hospitals, we had the government saying, "No more bailouts," we had job losses announced, and then we had a bailout. In this case, half of the money that comes from the \$200 million is going to pay for severance costs, which just means that nurses and others losing their positions aren't going to be replaced, which is going to impact patient care.

At the same time, we got \$825 million more from the federal government this year, we have \$1.2 billion coming in from a new health tax and we have a minister ordering 2,000 positions lost in hospitals, 757 of them to be nurses. What do you think about that?

Ms. Grinspun: I need to tell you that I was absolutely taken by surprise. This is the worst dream coming to reality. I never imagined that under this government I would be sitting here saying how disappointed we are.

Ms. Martel: The other thing is, it seems that the money the government invested in nurses—taxpayers' money—really is going down the drain. The government announced, for example, \$50 million in hospitals, under \$100 million to hire new nurses, as well as money for larger hospitals to hire nurses or bring them to a full equivalent. That \$50 million represents about the 757 nurses who are going to go out the door. What a total waste of taxpayers' dollars.

Ms. Grinspun: That's why—and I said this to the media yesterday—what is happening looks absolutely schizophrenic to me. The message on one hand is, "Come to the profession. We need you." But on the other hand, what new grads are hearing now is, "We have attrition." That's what they understand. The positions will not be open. That's the way they interpret this, and that's why the minister needs to urgently put out a message to either explain what he means or reverse his decision. It's absolutely urgent. Now is the time that students in high school, for example, are looking at whether to enter this magnificent profession. Now is the time that they will be changing their plans unless they hear that Ontario is open for nurses and for them to take this profession.

Ms. Martel: So both in terms of people making a decision to go into nursing in the first place and people who are graduating from nursing who will be coming out in April or May of this year, what message do you think that sends to them? What do you think they're going to do?

Ms. Grinspun: Well, my answer is, please tell the minister—and I did ask his office yesterday—to put a message out urgently, saying, "We are protecting nurses. This was a misunderstanding, a mistake," or whatever. But the message needs to be, "We are not going to cut nursing services."

Ms. Martel: What do the Liberals have to do, Doris, in terms of hospital funding?

Ms. Grinspun: They need to reverse the decision in relation to the 757 nursing positions.

The Chair: Thank you for your presentation this morning.

For the committee, the persons in our 9:30 position have called and advised us that they are going to be late.

CANADIAN TAXPAYERS FEDERATION

The Chair: It's my understanding that our next group, the Canadian Taxpayers Federation, is nearby. Therefore I'll call on the Canadian Taxpayers Federation to please come forward.

Ms. Tasha Kheiriddin: It's a good thing we were here early. We have a report, which will be distributed shortly. Hello, gentlemen and madam.

The Chair: Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questions following that. We appreciate your being able to give your submission somewhat earlier this morning. I would just ask you to identify yourself for the purposes of Hansard. You may begin.

Ms. Kheiriddin: Thank you. My name is Tasha Kheiriddin and I am the Ontario director of the Canadian Taxpayers Federation. For any of you who are unfamiliar with our organization, we are a national taxpayers' rights group representing over 65,000 taxpayers across the country. We have chapters in five different provinces, most recently in Ontario, where we have been operating our office for the past two years.

The report you see before you is a compilation of information we've received from our supporters, as well as supporters of ours who have simply contacted us in regard to what they think they would like to see from the next budget this government is going to put forward. The most important recommendation, if we move to the executive summary that you can see in the first paragraph, is in regard to the provincial health tax. Our organization campaigned long and hard to get taxpayer protection legislation in this province, to get a balanced budget law in place. In the last election, then Liberal leader Dalton McGuinty promised he would not raise taxes, would not run deficits. That covenant with voters was broken most unceremoniously in the budget which was presented May 18, 2004.

Our supporters tell us that their number one priority—if we move to page 3—is clearly to hold the McGuinty government accountable for its pledge not to raise taxes and not to run a deficit. As will be shown in the document that we're presenting, this government would be in a position to reduce, if not repeal, the health tax in the upcoming budget and not raise taxes any further.

If you look at the bottom of page 3, when you examine what the impact of the health tax has been on this province, it's clear that it has essentially reversed income tax cuts for middle-income Ontarians, tax cuts that were in place since 1999. The Ontario health tax is equivalent to increasing the provincial middle income tax rate of 9.15% to 10.6%, which is exactly where it was in 1999. Most disturbingly, as you can see on page 4, this tax adversely impacts low- and middle-income Ontarians to a much greater degree than high-income Ontarians. We've already seen the fallout from the health tax that is

affecting the economy. We've seen this in the government's own outlook which it released this past November, which indicated that sales tax revenues and consumption tax revenues for liquor and gaming are lower. These all indicate that consumers are spending less money and—this is not rocket science—they have less money to spend because of this tax.

In addition to that, the RBC Financial Group issued a provincial outlook in October which indicated that the health care levy, together with other measures of restraint, are in effect impacting consumer confidence. Once consumer confidence is impacted, job growth is the next thing to decline. As people spend less, there is less demand for products and services and fewer people are hired. If you look at job growth in Ontario, it's also not as robust as the previous year. You can see the declining figures at the bottom of page 4.

When we look at the record of the previous government, the strongest employment growth occurred during the years of substantial tax cuts. Again, the health tax is not only nefarious for taxpayers themselves, it also impacts employers. We've seen lawsuits launched by public sector unions against the government. Private sector employers also may fear that, if they have unionized employees, they may call on them to pay this tax. The tax is hurtful at so many levels and therefore we believe it should be cut this year, with a view to scrapping it completely in 2006-07.

As we will show later in our presentation, if the government implemented cost savings in the area of health—without reducing services, I might add; there is a way to do that—together with the additional funding that it is receiving from the federal government, it would be in a position to cut the health tax by two thirds in the upcoming budget.

The second item I want to address is an issue of tax fairness. This proposition is revenue-neutral. It would, however, make the tax burden more equitable for upper-income Ontarians because, as you may know, Ontario has the sixth-highest marginal tax rate in the country. We currently have two high-income surtaxes. This is an unnecessary situation. As we show in our table at page 6, there should be two new thresholds for income created, which would eliminate the necessity of a surtax and would be more equitable in terms of the acceleration of the tax rate as your income rises. We propose that there be a new threshold for income between \$61,000 and \$72,000, with a tax rate of 13.4%, and a new top threshold created for income greater than \$72,000, with a tax rate of 17.42%. These changes would reflect the real rates that taxpayers pay and would provide greater transparency to the system.

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Our third point is, stop running deficits. Again, this goes back to the pledge that Premier McGuinty made when he was campaigning in 2003. At page 7, we show what Ontario's debt-to-GDP ratio is. It has gone down. It went down significantly under the previous government, but as you can tell, the current government is on its way

to increasing the provincial debt by \$12 billion. That not only represents debt but represents interest payments of \$4.4 billion over the next few years, until the government's up for re-election. This is \$4.4 billion that could much be better spent on health services, education services or other services Ontarians hold dear. But instead, the government is cutting programs such as eye care, chiropractic care and physiotherapy while taxing people more.

The Premier also repealed the Balanced Budget Act, which we think was another travesty to taxpayers, replacing it with the Fiscal Transparency and Accountability Act, which really offers neither. The new act allows the finance minister to essentially present excuses instead of a balanced budget, and it is completely unacceptable in its current form that was assented to before the Christmas break.

If we look at the chart on page 8, perhaps the most shocking revelation is that the current government is spending money at the same level that the NDP did under Bob Rae in the early 1990s. We know where that got us: \$66 billion added to the public debt.

Interjection.

Ms. Kheiriddin: I see you laughing, Ms. Martel. But the truth is—

Interjections.

The Chair: Order.

Ms. Kheiriddin: —when we look at the table, you can clearly see that the average Liberal spending right now is at \$6,370 per capita. That's adjusted for inflation. Adjusted for inflation, Bob Rae's government spent an average of \$6,380 per capita. The Tories, however, while they did cut at the beginning of their mandate, did not do much better toward the end and spending did ramp up under Ernie Eves to levels close to the Rae government.

So how did the previous government balance the books? Essentially, they saw tax revenues rise even though there were cuts to tax rates. You see, at page 9, very clearly—we made this point last year as well—there was an average of 36% in reduction of personal income taxes, which produced a 15% increase in personal income tax revenues and a 37% increase in the province's source revenues under the Conservatives during the major years of tax cutting between 1999 and 2002.

So what we're looking at here is a recipe that this government just does not seem to want to follow. While the revenues will go up this year because of the health tax and because of other taxes, as we've shown, those taxes will adversely impact the economy and will not result in as much revenue growth as would have occurred otherwise.

To further illustrate how spending is out of control, it's really interesting to see how much the revenues would have gone up without the health tax. They would have grown by 6.8%. That's higher than the rate of inflation, higher than the rate of population growth. In essence, this government is getting a raise and spending it twice. It's taking in money, and yet it's deciding to spend even more than that. This, again, is unacceptable.

How do we get to a balanced budget? How do we manage to reduce the health tax? This is where we go from here. Our first element, at page 10, is that we say the government has to spend smarter. Here, contrary to what is said by this government so often, there is room for reduction in spending—not in services, but in spending—in health care and education, which, as you can see at page 11, are the largest budget envelopes the government has to deal with. Interestingly, the third-largest is debt servicing, which, of course, gives Ontarians nothing.

The Chair: You have about a minute left in your presentation.

Ms. Kheiriddin: One minute? OK. Well, these are the most important points. I will touch on the others.

If you look at the example of British Columbia, which managed to reduce its expenses in health care by 4.5%—this is at the bottom of page 11. If there's one point we make today, this is extremely important, because if this government were to follow the example of the Liberal government in BC, Ontario would be able to save an approximate \$1.4 billion in the area of health care. That is simply by outsourcing contracts for things such as food preparation, security and other services in hospitals that the BC Liberal government decided to do. If you added the \$1.4 billion to the additional money pledged by the federal government of \$824 million, you could cut the health tax by two thirds this year alone and not impact services.

In the area of education, we recommend the government look at school board expenses, which rose by half a billion dollars this year. We'd like to see what benefit that has to children. Could this money not be better spent on programs, for example, such as physical education, literacy or math, or not spent at all, if it indeed it's not necessary?

We also go into detail about how to reform the public service, and we present three scenarios for reducing it. That's at pages 13 and 14. We know the government is already looking at that. We encourage them to look at it further, and also at rebalancing the public and private sector. Here again, I'll just make the point in the area of health care because I know I don't have a lot of time.

This government's ideological blindness and refusal to consider more private involvement in the area of health care is unacceptable. The government is delisting services, forcing hospitals into a position where they have to lay off nurses, buying back private MRI clinics with public money—the list goes on—instead of looking at innovations such as Alberta and Quebec are doing. I must say that the opposition has been silent on this too, in calling for a parallel private health care system, because that's what we're saying. Not an American system, but a system that's in place in countries around the world, like Sweden, France, Germany, Britain—the list goes on.

The Chair: Thank you. We should move to questioning now.

Ms. Kheiriddin: That's fine. If I could make one last point: If you want to look at our points on reform of the

property tax system and corporate welfare at the end of our document, I'd be most grateful as well. I'm open for questions.

The Chair: This round of questioning will go to the government.

Mr. Mike Colle (Eglinton-Lawrence): On behalf of the committee, we do appreciate the detailed presentation. I think there is obviously a lot of work that's gone into this. We may disagree with some of the conclusions, but we do appreciate the input.

There's one thing that caught my eye. I have a bit of an interest in property tax assessment. I'm just wondering, the Canadian Taxpayers Federation is proposing a unit value system for assessment?

Ms. Kheiriddin: Yes.

Mr. Colle: I remember we looked at that when we were doing market value, current value assessment for Toronto. The impact studies that were done showed a massive tax increase for the 905 and suburban areas, to the benefit of the older, established downtown core areas of Toronto if you did that, given the fact that in Jim Flaherty's riding, for instance, you've generally got bigger lots and bigger homes, as opposed to, let's say, typical houses you might have in Cabbagetown in Toronto, where you have 18-foot lots with 1,200-square-foot homes. Have you found some other impact analysis in recent years that demonstrates that there isn't going to be this massive tax increase shifted into the 905?

Ms. Kheiriddin: It's interesting, because we're assuming that the unit-based assessment would be the same province-wide, as opposed to per jurisdiction or per municipality. The problem we have seen and that other groups have mentioned as well is that within jurisdictions—I'll give you an example of the area of Muskoka, north of Toronto. You have property values which are rising disproportionately in areas of the same municipality, and lakefront property in particular. The increase has been astronomical, whereas in the town it has not.

What we are proposing—and we will be presenting a more detailed proposal on this in the coming months—is a system based dually on the Israeli system, which is the Ancona system, where they do unit-based taxation—and there are studies there that have demonstrated the benefits of this—as well as a tax cap, such as was implemented in California. Without going into more detail than that, in terms of a specific study in Ontario, I can't provide you with that right now. But suffice it to say that we've heard from enough people that the current system is not working and there has to be re-evaluation.

It would not necessarily, as we're seeing it, extend the burden to the 905. What you might see in Toronto would be that properties in Scarborough and properties in Rosedale that occupy the same square footage and are the same type would be taxed at the same level, despite the fact that one is in Scarborough and one is in Rosedale. Currently, you would say that the Scarborough property is in perhaps not as valuable a neighbourhood in terms of sale value, but we say that it should be unit-based because the services everyone receives for that type of property are the same.

Mr. Colle: We've looked at all kinds of alternatives and, again, I just don't see how you can get around the fact that suburban 905 homes, and even in suburban parts of Toronto, the homes are larger and the lots are larger. That's a given fact. If you do the impact analysis, you're going to see 80% to 90% tax increases in Whitby, Ajax, Oshawa and Peterborough because they've got bigger lots and they've got more square footage than—

Ms. Kheiriddin: Whitby's not Toronto. Whitby could set its own unit assessment. We're not saying that units in Toronto and units in Whitby would be assessed the same way; we're saying all units in Whitby would be assessed the same way. This is the difference. Each municipality is free to set their unit assessment in terms of the services they render. But like I said, we will be issuing a more detailed proposal on this.

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Mr. Colle: It's quite an interesting position, anyway.

The other thing is, I noticed that you're still advocating privatization of health care.

Ms. Kheiriddin: Yes.

Mr. Colle: In the United States, where you might say they have one of the purest forms of private health care delivery, there are 45 million Americans with no health care. They spend a greater part of GDP on health care than we do in our public system in Canada. How can you be advocating our moving toward that when it's an obvious failure in the United States of America?

Ms. Kheiriddin: We're not. You weren't listening to me.

Mr. Colle: They're paying more and getting less.

Ms. Kheiriddin: We've never said we want an American system. Look at Sweden. Sweden charges user fees, has a parallel private and public health care system and they don't have the waiting lists that we do. Go to Germany—same thing.

We don't like the American model that leaves people out. That's not what we're saying at all. We're simply saying that there's room for a parallel private system that countries all over the world have. Canada is in the minority on this. We force people—your own Minister of Consumer and Business Services, I believe, had to wait six months for a hip replacement. It's a travesty that in Ontario you see ads in newspapers advertising for people to go out of the country, to Germany and to India—I've seen those ads saying, "We can offer you health services. Come here and stay in our hospitals." Does that not make you a little ashamed?

Mr. Colle: The only thing is, I wonder how you could use Sweden as a model—

The Chair: Thank you, Mr. Colle. Our time has expired. Thank you for your presentation before the committee this morning.

Mr. Toby Barrett (Haldimand-Norfolk-Brant): On a point of order, Mr. Chair: I wish to present a motion. Given today's release by the TD Bank blaming debt and taxes for 15 years of take-home pay flat-line—

The Chair: Could you move the motion, please?

Mr. Barrett: This was a report authored by TD's chief economist, Don Drummond. I can show it to you, rather than talking about it.

The Chair: Read the motion.

Interjections.

The Chair: Order. Just read the motion.

Mr. Barrett: A finding substantiated by the work of the Canadian Taxpayers Federation.

I move that the government of Ontario:

(1) eliminate the provincial health tax and hold the line on other taxes;

(2) improve tax fairness;

(3) stop running deficits;

(4) not increase spending until it completes a review of departmental spending;

(5) re-examine salaries paid to the public service, as well as the number of employees currently on the government payroll; and

(6) rebalance the roles of the public and private sector.

Thank you, Chair. I understand we will—

The Chair: It'll be discussed at report-writing time.

Mr. Colle: On a point of order, Mr. Chair: This is an intriguing question. I'd like research to find out why, after eight years in government, the previous Conservative government, which adhered to the Canadian Taxpayers Federation's basic philosophy of tax cuts, increased take-home pay etc., didn't make a dent or improve the take-home pay of Ontarians during the eight years they were in office. I'd like research to give us a response to that, if possible. It's really intriguing.

The Chair: If you'd put that in writing for research, it would be appreciated.

Interjections.

The Chair: Order, please.

GREATER TORONTO HOTEL ASSOCIATION

The Chair: I would call on the Greater Toronto Hotel Association to come forward, please.

Ms. Michelle Saunders: Good morning, Mr. Chair and members of the committee.

The Chair: You have 10 minutes for your presentation. There may be up to five minutes of questioning. I would ask you to state your name for the purposes of our recording Hansard.

Ms. Saunders: My name is Michelle Saunders. I'm here today on behalf of Rod Seiling, the president of the Greater Toronto Hotel Association. Mr. Seiling is unfortunately out of the country today and asked me to present his recommendations and submission to you.

The Greater Toronto Hotel Association's members own and operate approximately 155 hotels with 35,000 hotel rooms in the GTA and employ approximately 32,000 people. This economic activity contributes about \$1.6 billion in GDP annually and generates approximately \$579 million annually in tax revenues for the government.

On behalf of the GTHA, I want to take this opportunity to congratulate the government on a number of

initiatives it has undertaken or has announced it will be studying, with a view to implementing new public policy. We'd like to congratulate the government on its definitive plan to eliminate the capital tax, the PST exemption on the destination marketing fee and the rate freeze on WSIB rates for 2005 for the hospitality sector. We also want to take the opportunity to recognize the government on the changes to tax treatment for our important film industry and the recently announced review of the beverage alcohol system, both of which will have a great impact on the tourism industry.

Before moving into specifics of our industry, one might ask the question, why should government have a vested interest in the tourism industry? The answer is simple: It is good business. Tourism is one of the few industries where the government earns a positive return on its dollar investment. At a macro level, 30 cents out of every tourism dollar goes directly back to the government in the form of direct taxes. The provincial share is 13 cents out of every tourism dollar.

I'm pleased to report that the industry's economic renewal is well underway. But we are not where we need to be, especially as it relates to return on investment. As you are aware, it is vital that this missing component join the parade, for without it the investment function in our business may not be sufficient to ensure that we remain functionally competitive.

Our economic renewal has been fuelled thanks to assistance from the government's tourism recovery program and the industry's ingenuity and initiative via the destination marketing fee. The DMF is a 3% fee added to a guest's charge for a sleeping room, with the proceeds dedicated 100% to the marketing and selling of that destination.

From a hard numbers perspective, the news is positive. Job creation is happening once again and government tax revenues are up. Toronto was just named the second-best meeting location in North America and one of the top 10 places in the world to shop. These positive results, including new and better awareness and more customers, are all being generated by our combined marketing efforts.

Visitors to Toronto are projected to be up 6.7% in 2004 to 17.8 million. From a hotel perspective, occupancy for 2004 was almost 70%. This is up over 9% over 2003 and just slightly ahead of 2002. Employee-wise, all 32,000 jobs have returned to the hotel sector in Toronto, a dramatic increase from having one third laid off and another one third on reduced hours.

DMF, in one short year, has become best practice in terms of a funding mechanism for destination marketing since it was implemented January 1, 2004. Ottawa and Kingston have already implemented their own DMF, and cities like London, North Bay and Kitchener are closely looking at doing the same. Our current projection, with December 2004 numbers yet to come, is that the DMF will generate about \$24 million in revenues for Tourism Toronto. These new funds by no means make Tourism Toronto rich. What they do is position the organization in

the mid range as it relates to resources available for marketing a destination the size of the GTA.

These funds are used to partner with the government's own programs administered through the Ontario Tourism Marketing Partnership Corp., the OTMPC, and its tourism revitalization program. It is this leveraging component that is helping provide the government its \$8.40 return on every dollar it invests in the tourism revitalization program. These funds are now responsible for Toronto to be able to access its fair share of the federal government's Canadian Tourism Commission program. Previously, Toronto, and by extension Ontario, was excluded from participating in many federal tourism marketing initiatives, as funding was non-existent. Thus, these funds were diverted to other provinces. This resulted in a worsening in our competitive positioning.

In past years, this presentation would have led off requesting that government provide our industry with the means to become competitive via a legislated room tax. On the contrary, the DMF model has proven so successful that we recommend the government do everything it can to ensure its viability.

Equally important in the marketing of tourism in the province is the Ontario Tourism Marketing Partnership Corp., established by the province as a public-private sector partnership with a base funding of \$34 million. It leverages its funds with those of the private sector and the Canadian Tourism Commission to create productive marketing and sales initiatives. Based on the tourism revitalization program, the return on investment is substantial, running into the hundreds of millions of dollars for government.

The GTHA recommends that the government ensure the continuation of private sector destination marketing fees, continue to support the tourism revitalization program targeted specifically to US initiatives, and continue base funding for the Ontario Tourism Marketing Partnership Corp.

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The government, in its 2004 budget, announced a one-year PST exemption on destination marketing fees. The GTHA has advocated that independent tax advice had provided input suggesting that the tax policy of including the destination marketing fee as PST-taxable was wrong, as it is neither a good nor a service. Further, we have suggested that, from a business perspective, the government would earn more by allowing this money to be reinvested in the marketing of the destination. With respect to the latter, we are pleased to report that numbers confirm the suggestion of return on investment. The DMF will raise approximately \$24 million in 2004. Operating on a basis of a full year, the PST on that amount is simply \$1.2 million. Based on the TRP study, given that all of these funds were reinvested in tourism marketing, they generated over \$10 million in new direct revenues. The total economic impact, including direct, indirect and induced, is more than \$23 million.

As the numbers clearly indicate, from an incremental taxes-earned perspective, the government clearly has a

positive return on investment, not to mention the new jobs that will accompany the incremental economic activity. The GTHA recommends that the government make permanent the PST exemption on destination marketing fees.

Property tax rates for business and the city's caps and clawbacks policy result in Toronto having the dubious distinction of having the highest property tax rates on business in Canada, and second to Chicago in North America. From a numerical perspective, commercial taxpayers in Toronto comprise only 19% of the assessment base but pay 43% of the taxes. Residential properties comprise 79% of the taxable assessment base but account for only 49% of property taxes collected by the city. The net effect is to put hotel property taxes in Toronto at record highs, to the point that they are the topic of the day every time hotel investors meet, no matter the location of that meeting. This is not the topic we need for their discussions. We want them talking about the investment-friendly scenario in Toronto and Ontario.

The city of Toronto has already announced that it will once again ask the province to lift the hard cap of Bill 140. There was, we suggest, good public policy in Bill 140, in that it froze any property tax rate increase for a property tax class that was outside the established bands of fairness. Needless to say, the commercial and industrial tax rates in the city far exceed those sets bands, and the city has shown no inclination to address the problem, despite the fact that they are affecting investment and location decisions.

Another area of concern relates to business education tax. The BET, formerly controlled by local school boards, was taken over by the province as part of the local government reforms in the late 1990s. The former government did not move to a uniform, province-wide rate for business as it did for residents. Rather, the former government instituted, rightly, a \$500-million tax cut program whereby the business education tax rates in those municipalities above the provincial average, like Toronto, would be reduced to the provincial average over an eight-year period. The rates were frozen in those municipalities below the provincial average. The current cuts are completed as of January 1 of this year.

The GTHA recommends that the government maintain the hard caps of Bill 140, legislate measures forcing municipalities to bring property tax rates into the bands of fairness within identified time frames, develop a capping exit strategy and move to a province-wide business education tax rate. In this ongoing exercise, we want to remind the government that there are industries like the tourism industry that it can invest in and earn a return. The return is new jobs, new investment and incremental tax revenues.

Ladies and gentlemen, thank you for your time.

The Chair: Thank you. This round of questioning will go to the official opposition.

Mr. Flaherty: Thank you, Ms. Saunders, for stepping in today and making the presentation on behalf of the

Greater Toronto Hotel Association. Yesterday, we heard a presentation from Mr. Mundell's group.

Mr. Colle: The hotel and restaurant association.

Mr. Flaherty: Yes. They also raised the issue of destination marketing fees. I'm wondering if you could help us with the difference between what Mr. Mundell's group is proposing and what you're proposing.

Ms. Saunders: Certainly, Mr. Flaherty. Thank you. I'm actually with the Ontario Restaurant, Hotel and Motel Association, and Mr. Seiling, as president of the GTHA, is on our board. The two positions actually are very similar, but there is some misunderstanding because of some perception that the GTHA's position has changed over the years.

To clarify that, what the GTHA had previously requested of the government was a legislated model for the destination marketing fees, with the fees going directly toward destination marketing. The government turned down the request for legislation, and the industry went out on its own and implemented destination marketing fees as a voluntary measure.

The fact that Mr. Seiling is no longer requesting legislation is not necessarily a change in his end goal. The two associations are actually very close in that they want the destination marketing fees to be voluntary, to be industry-led. A destination marketing fee would be specifically pointed out on the bill so the customer is very aware of what they are paying for. Those fees would then be put back into, for example, a local convention bureau or business improvement area. They would be used to support specifically and exclusively destination marketing for that business area. So the two associations are very similar. I think the confusion lies in what the GTHA had previously requested.

Mr. Flaherty: I don't know whether you can help me with this. What's the current position of the two organizations on this hotel room tax proposal that comes up from time to time?

Ms. Saunders: It does come up from time to time. I can tell you the two associations are on the same page. We feel that a voluntary, industry-led initiative on the destination marketing fee is the right solution. It benefits both the tourism industry and the provincial revenues. It has the best return on investment. We are fundamentally opposed to municipal requests to levy a hotel room tax where the money would simply flow back into municipal operating dollars. We are simply opposed to that. We think it is a better investment for the government and for the tourism industry for those monies to flow into destination marketing efforts.

Mr. Flaherty: How are the occupancy rates in Toronto?

Ms. Saunders: Occupancy rates in Toronto are up. Across the province, obviously they're up over 2003. It's a pretty low benchmark to meet. They're not exactly where we would like to see them; there is still a lot of room for improvement. But in Toronto they're up above the rest of the province.

The Chair: Thank you for your presentation.

I would ask if the Ontario Long Term Care Association is present. No.

CANADIAN NATIONAL INSTITUTE FOR THE BLIND

The Chair: The Canadian National Institute for the Blind? Very good, sir. If you would be able to give your presentation now, the committee would appreciate it. We'll give you a moment to get organized.

Mr. Bill Laidlaw: I just got in from Burlington. It took me three and a half hours.

Interjection.

Mr. Laidlaw: Yes, it is, actually. You can listen to the news three or four times.

Interjection: You're all caught up.

Mr. Laidlaw: I'm all caught up, yes.

The Chair: We appreciate your being able to accommodate the committee early for your presentation. You have 10 minutes for your presentation. There may be up to five minutes of questions following that. I would ask you to identify yourself for the purposes of our electronic Hansard.

Mr. Laidlaw: My name is Bill Laidlaw and I'm the manager of government relations for the Canadian National Institute for the Blind. Looking around here, I see some people I have met in previous lives, so good morning.

On behalf of the CNIB, we would like to express our appreciation to the standing committee for this opportunity to participate in the pre-budget consultation. During 2004, the CNIB engaged in discussions with the province on a number of issues of significance to the public. These discussions have been constructive, and I would like to take this opportunity to compliment the many ministers and government staff who have demonstrated their interest and acted in support of the CNIB and our programs.

The many issues we discussed with the province all have direct implications to public policy. A number involve services and programs that either receive public funding or would be in the public interest to be funded. Today, we wish to bring to the committee's attention those items where public dollars are part of the discussion. We believe the recommendations we bring forward today will make a significant contribution in benefit to all Ontarians.

I will get you copies of our written submission. My colleague is probably still stuck in traffic. For the sake of brevity, let me go to the three budget points.

Number one, children's early intervention services: Since 2001, CNIB early intervention services have helped visually impaired preschool children acquire the special skills they need to prosper in school and life. Through the CNIB, early intervention professionals with expertise in the developmental needs of children provide an array of services. Infant stimulation and tactile coaching helps small children acquire skills that sighted kids learn through observation. Preschool children get special

assistance with Braille training and listening skills to attain school readiness. Parents receive counselling and training on how to interact with their visually impaired children, interpret their child's behaviour and advocate for their needs.

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Helping all children achieve their full potential in their early years is a priority for all Ontarians. The CNIB is committed to ensuring that children with visual disabilities receive the support they need to achieve their full potential. Early intervention services provide the framework these kids need to acquire the skills necessary for a happy, healthy start.

We have developed a pilot program, made possible through termed operating grants from the Early Years challenge fund and the Trillium Foundation and matched by private donations. These grants expired in 2003. The province should be very proud of its previous investment in support of this critical program.

From the time of its launch, support of early intervention services from parents, educators and the visually impaired community has been excellent. This can be attributed to the overwhelmingly positive impact upon the children and families that have used these services. The program fulfills a real need not replicated by other agencies.

During 2004, the CNIB launched children's services as a permanent program at 10 service centres across Ontario.

We call upon the province to renew its support of children's services and take the needed action to protect the rights of blind and visually impaired newborns and preschoolers.

To this end, the CNIB has submitted a proposal to the Ministry of Children and Youth Services requesting that the government provide permanent annual base funding for the program. The request is for approximately \$600,000. With this funding, we'll be able to expand the program into every region in Ontario. Every dollar will be used directly to hire additional service staff to provide appropriate levels of service to this vulnerable group.

The next area is intervention services for persons who are deaf-blind.

Within Ontario, the CNIB is the principal organization delivering support to people who have become deaf-blind through the onset of visual or hearing impairments attributed to Usher syndrome, trauma, neurological changes or aging.

A typical CNIB deaf-blind client is a working-age adult, a parent or grandparent, who requires the services of an intervener to perform specific tasks. Achieving independence can be difficult for deaf-blind persons, but much can be done to ensure that they lead the full participatory lives they are capable of and deserve. When you communicate with someone who is deaf-blind, you do so by touching their fingers. It's quite something to see.

Intervention is the core of CNIB's deaf-blind services and represents our greatest funding challenge. An intervener is a trained professional using a variety of

specialized communication techniques to help people who are deaf-blind interact with and interpret the world around them. For people who live in a world without sight and sound, interveners are indispensable. For most deaf-blind persons, interveners represent the primary means of contact with their environment. Without them, deaf-blind individuals are at risk of living a life of isolation and dependence.

CNIB's deaf-blind services are funded by the Ministry of Community and Social Services. Our long-standing partnership with the ministry as a service provider has sustained this critical program for over a decade. However, until 2004 there had been no substantial review of the program. During this period, CNIB's ability to maintain appropriate levels of service for all deaf-blind clients within funding envelopes has declined. The frequency of service has declined to critical levels for most clients, and waiting lists have grown. We're currently unable to accept new clients, leaving many consumers with limited options.

In 2004, CNIB worked closely with the ministry to review the delivery of deaf-blind services. These discussions have been constructive and led to two progressive outcomes.

First, CNIB participated in a third-party review of intervention and interpreter services conducted by the ministry. The conclusion from this review, we understand, will be available this week.

Secondly, at the request of the ministry, CNIB tabled a proposal for enhancement of annual base funding for this service to restore service levels to minimum standards, or an average of three hours of intervention per week per client. Our submission requests an enhancement of \$650,000 to existing base funding.

Lastly, CNIB Toronto Service Centre: Since 1956, CNIB's BakerWood facility at 1929 Bayview Avenue in Toronto, where I'm located, has been the headquarters of the CNIB. It has served the organization well. It was an aging structure and it had high maintenance costs and poor utility. It was destroyed in 2002. The CNIB sold 12 acres of the existing property while retaining four acres for the construction of a new facility. It was opened this year, and the grand opening will occur in June this year. Hopefully, the Premier will be able to be there.

The Toronto Service Centre is designed to meet the demands of our growing caseload. It will directly house the CNIB services for nearly half of the clients we work with across Ontario. The facility is a model of universal accessibility design and will showcase unique solutions for persons with visual disabilities. The CNIB is extremely proud of its new home and has invited the province to recognize our new facility as a model of accessibility, which I know is a focus for this government.

During 2004, the province, led by the Ministry of Citizenship and Immigration, has shown exemplary leadership in advancing Ontario as a world leader in the field of accessibility. In particular, CNIB fully supports Bill 118, the Accessibility for Ontarians with Disabilities

Act. BakerWood is a model for how buildings made to be used and enjoyed by everybody can be built without incurring added costs.

We are strong proponents that accessibility is an issue that affects not just the 1.5 million persons with disabilities living in Ontario but every Ontarian. From seniors to expectant mothers, and parents with small children to persons recovering from an injury or illness, dismantling barriers to access encourages the full participation of people from all walks of life within their communities.

The facility is at the forefront of what the Premier called the government's movement to "remove barriers and expand opportunities for Ontarians to learn, work and play to their fullest potential."

During the fall, we met with the Minister of Public Infrastructure Renewal, David Caplan, who provided very helpful stewardship on receiving a one-time grant in support of BakerWood. This grant would be for between \$1 million and \$3 million. Following the direction of that ministry, we've submitted a proposal for support to the Ministry of Citizenship and Immigration toward the completion of this state-of-the-art facility.

In summary, we believe that the measures suggested above will contribute to the government of Ontario's vision of an inclusive society, where all citizens share the best quality of life and standard of living and are full participants in the Canadian economy.

Thank you. I think that was 10 minutes; I hope it was.

The Chair: You were under 10 minutes, sir. We have up to five minutes of questioning. In this rotation we'll go to the NDP.

Ms. Martel: Thank you for being here today, even though it took you a long time to get here.

Let me start with the intervention services. I wrote a letter of support for increased funding for intervener services in, probably, November 2003. Now, you said here that a proposal for enhancement was submitted to the government. Is this a proposal that is more recent than 2003 or is that the same one?

Mr. Laidlaw: No. It's the same proposal. The government has been very helpful with us. They at no point in time have said that we're not going to get the additional funding. They've been coaching and counselling us through this whole process, and we're hoping that in the very near future we'll get the OK for the additional funds. But it has taken a long time.

Ms. Martel: They may be coaching and counselling. I'm sure I did a submission in November 2003. We're over a year here, and you haven't got a response one way or the other. That's a long time to wait for what is a relatively small—and I mean small—amount of money in the overall government budget. What's been the problem?

Mr. Laidlaw: We don't know. I've only been with CNIB for about 11 months. When I first came, it was a major issue. We met with the minister, with the deputy and with the parliamentary assistant. Again, I have to understand where they're coming from. It takes a lot of time. They had a number of concerns, and we're very,

very patient. I don't want to say that it's their fault. It's not all their fault. It's a very difficult area to review. They have reviewed it, and they've given us every indication that it's going to be a positive outcome.

Ms. Martel: Is the funding contingent on the result of the program review?

Mr. Laidlaw: Yes.

Ms. Martel: When did that start?

Mr. Laidlaw: They did the review in, I think, November-December, and the report is going to be made available to us this week.

Ms. Martel: November-December 2004.

Mr. Laidlaw: That's right.

Ms. Martel: So a whole year where that work could have been done, especially if the funding was contingent upon the government doing a third-party review.

Mr. Laidlaw: That's correct.

Ms. Martel: I think that's a delay that, frankly, was just unacceptable, from my perspective. I know Michael Prue, who usually sits on this committee, actually had a chance to meet with one of his constituents who uses an intervener and was profoundly moved by the need for an intervener and by how much this opened up the world to this particular gentleman by being able to have this service. The service was three hours a week.

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Mr. Laidlaw: That's correct.

Ms. Martel: It wasn't exceptional by any stretch of the imagination.

Let me ask you about the other funding application you have in, the \$600,000 for permanent annual base funding to all of your centres for your early intervention program for children. When was that submitted to the government?

Mr. Laidlaw: We spoke with the minister last week, actually. I've been working with the minister's executive assistant. We had a very positive meeting with the ministry and they were very excited about it. I said I would have the submission based on their suggested improvements in to them in four weeks' time.

Ms. Martel: Is that a revised submission or a new one?

Mr. Laidlaw: It's a first submission. They gave us some suggestions how we could improve upon it. So, again, we feel very confident that the ministry will approve that.

Ms. Martel: And when you say that will provide funding to all your centres—you're covering 10 right now.

Mr. Laidlaw: That's correct.

Ms. Martel: What would that mean, then, in terms of the sites that will be included?

Mr. Laidlaw: It will be all the major cities in Ontario where we have early childhood intervention programs.

Ms. Martel: I don't know how many those are; sorry.

Mr. Laidlaw: Currently there are 10; we'll have 15 sites probably being able to provide services. There's a huge number of children who have to get this service, and the minister recognizes it's important to get that

funding. We get funding from the private sector as well, and the United Way.

Ms. Martel: But if you don't get that funding, what will happen? You'll be able to manage the 10 sites but not 15?

Mr. Laidlaw: I've got to work a lot harder finding private funding.

Ms. Martel: All right.

Mr. Laidlaw: I can do that, but it is challenging.

Ms. Martel: Thank you very much.

The Chair: Thank you for your presentation this morning.

Mr. Barrett: On a point of order, Mr. Chair: I have a motion.

Following this testimony of the Canadian National Institute for the Blind, I move that the Ministry of Community and Social Services:

(1) investigate permanent funding for early intervention services for children with visual disabilities;

(2) review the deaf-blind intervener program.

The Chair: We'll discuss that motion at report-writing time.

Thank you for your presentation and accommodating the committee early today. We appreciate it very much.

ONTARIO SECONDARY SCHOOL TEACHERS' FEDERATION

The Chair: I would call on the Ontario Secondary School Teachers' Federation provincial office to please come forward. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard. You may begin.

Ms. Rhonda Kimberley-Young: My name is Rhonda Kimberley-Young. I'm the president of the Ontario Secondary School Teachers' Federation. With me is a member of our staff, Dale Leckie.

I'd like to start by thanking the committee for this opportunity to speak to the government's pre-budget consultations. I believe you have copies of our submission. I will go through a few points in detail and hope you'll have an opportunity after our presentation to look at some of the areas more thoroughly.

The government's first throne speech reiterated the commitment made during the election campaign: The new government's first and most important priority will always be excellence in public education. We applaud the government's commitment to public education but believe these words are most effective when supported by actions.

After its first budget, the government argued it had reinvested significantly in education. That reinvestment and any new money, however, have mostly targeted new initiatives and programs, to the detriment of core funding. OSSTF would argue that when you're building a house, you cannot start with the interior decoration and upgrades while neglecting the foundation.

What's more important, funding has not kept up with inflation. Unfortunately, the reality is that education funding is falling behind in Ontario. A 2002 Statistics Canada report summarized public school indicators for the provinces and territories from the period 1996-97 to 2002-03, and it showed that Ontario was the only province in which total spending per student rose at a slower pace than the rate of inflation. In fact, in most jurisdictions other than Ontario, total spending per student increased more than twice the rate of inflation.

Ontario also saw its student enrolment increase substantially, by more than 90,000 students in the last few years, to reach well over two million students, yet it has employed 3,339 fewer educators. That's only one of the impacts due to the chronic and structural underfunding.

While the government could argue that during its first budget in 2004, really, the cupboard was bare and it could not afford to fund new initiatives, the reality one year later is quite different. A growing number of experts are saying that the government's own forecasts for the 2004-05 year conceal a much rosier financial picture than suggested. Taking into account increases in revenue, the reserve allocation for contingencies and current debt financing costs, we believe the government has room to manoeuvre in this year's budget.

You'll see a series of recommendations that we believe are important to enhancing education in Ontario. I'll draw your attention to some of the core areas initially.

Our first recommendation is that the funding formula benchmark should be adjusted to implement year three of what Dr. Rozanski had recommended in the catch-up funding; and that the government should also put in place a realistic inflationary adjustment factor so that the benchmarks would continue to cover cost-of-living increases as time goes on.

In 1997, when the funding formula was developed based on the cost of services and goods provided by school boards, it was said that the actual costs were used to determine benchmark values, which then became an integral part of the formula that generated the funding for the various formula grants. Benchmark costs affect the amount of funding that boards receive in order to cover costs in the areas of: salary and benefits for administrators, teachers and support staff; learning resources such as textbooks, classroom supplies, computers and related costs; and school operation—heating, lighting, maintenance, cleaning, insurance, construction, major repairs and so on. That's why the base funding, the core funding, is so critical.

Hugh Mackenzie, from the Canadian Centre for Policy Alternatives, in October this past year did a study showing that about \$700 million of additional funding to salary benchmarks alone is needed to fulfill the recommendations put forward by the Rozanski task force. If we listen to others who have tracked education funding—parents' groups like People for Education—they too point to shortfalls, which unfortunately continue to exist.

The third recommendation in our paper has to do with pay equity. Pay equity legislation was enacted to elimin-

ate gender discrimination in compensation. Many of our school boards have reached pay equity settlements; many have not. There is a cost that is unfunded through the funding formula when they work out the pay equity settlements that we believe should be addressed in a way that allows school boards to enact the legislation they are required to do.

Our next recommendation has to do with the number of support staff available in schools. Certainly we have seen a decline in support staff in office, clerical, technical and plant support in particular. While there is funding in the funding formula for these groups, we don't believe it's necessarily adequate to provide the staffing that is still needed in schools. Unfortunately, it is an area from which school boards sometimes borrow to compensate for other areas, and that certainly is to the detriment of quality education.

Another recommendation we make is with respect to additional teachers, and I will draw your attention later to the detailed calculations on page 5. If a school board is to hire additional teachers, there are funding clawbacks that affect the school board that makes it next to impossible to do so. This government has put in place and announced many new initiatives around learning to age 18, and other programs to help students stay in school and help at-risk students. But that requires staff, it requires support and it requires people. Hiring additional teachers based on the way the funding formula works now is very difficult.

We also believe that hiring additional teachers could assist with this government's stated goal of lowering class sizes. In fact, we have done some research ourselves this past year. We commissioned an independent study called *From Applied to Applause* to address the concerns of many of the students at risk of dropping out. That research pointed to the importance of class size for all students, but in particular for the students in the grades 9 and 10 applied programs, who Alan King's studies and other studies have shown us are at real risk, and the dropout rate for that group is unfortunately heading in the wrong direction. We need to have the ability to address these with tangible ways, such as additional support staff and additional teachers.

Another issue we have brought to your attention, in recommendation 6, has to do with entry-level salaries for our teaching staff in particular. They are on a salary grid for a considerable number of years. In their first few years of employment, their salaries are not competitive with what professional salaries might be in other areas. Certainly we know that not all people stay in teaching, and every time we are not able to retain a good, qualified teacher in the system, there is a cost. So one way to help address that might be to look at addressing entry-level salaries in the funding formula.

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Another issue that exists in the funding formula, but that would require some additional funding to correct, is the fact that the funding formula is based on 7.5 average credits, and in fact many of our schools boards now are reporting in excess of that. That's an area where a student program is simply not being compensated.

Recommendation 8, on page 7, talks about student support. It is very important that students have the support not only of the teacher in a reasonably sized class but also the other support staff they might need, whether it be people who assist them in guidance, library or other areas that haven't been traditionally defined in the last funding formula as "classroom." It's also equally important, as you look in recommendations 9 and 10, that especially students with special needs get the additional supports they would require with the help of perhaps an educational assistant, a social worker, a child and youth worker, a speech-language pathologist or others who might help them overcome some challenges they face in education.

In recommendations 9 and 10 we speak specifically about special education funding. We know the government is doing a review of ISA, funding or the intensive support amount, in special education. What we want to ensure is that there is some way to reduce some of the unnecessary red tape in the process, but that at the end of the day there is adequate funding to meet students' real needs in terms of ISA funding. The same is true for the broader special education funding, the SEPPA funding, as it's known. We want to ensure that the government provides stability in those areas and, through the review process, finds a way to continue to adequately address the needs of special education students.

The Chair: You have about a minute left for your presentation.

Ms. Kimberley-Young: Thank you. I am summarizing.

The last specific area of a recommendation concerns adult education. While we have put in our proposal here an actual cost factor, I believe there are long-term savings and benefits to society and to the economy if adults are given the assistance they need to reintegrate into the school system, complete a high school diploma and are allowed more entry into the job market or into post-secondary education. What has happened to adult education has really been a travesty in terms of the numbers and the access we've seen over a period of time in Ontario. We would like to see that head in the other direction, and that requires investment.

I would conclude with an area where we do believe the government could continue to save some money, and that is on the way standardized testing is administered. We believe there are some alternatives that could easily meet the needs of ensuring that students are getting a good, quality education without the cumbersome bureaucracy and expense that we believe have skyrocketed in the province.

I would conclude by saying that we know the government has made some reinvestment in public education. We know the government has announced new programs. To have new programs be effective, they require support, they require staff and they require resources. I think the first and most fundamental resource we need is an improvement in the overall foundation and benchmarks to allow the school boards the flexibility to find some

very innovative and successful programs to meet the student needs in their own communities.

I would point back to the earlier recommendations as being absolutely critical, but we believe there is some other substance in this paper which is worthy of consideration.

The Chair: Thank you. This round of questioning will go to the government.

Mr. Colle: Thank you very much for the very constructive presentation and the comments. They're very useful, I think, especially for members of this committee, who deal with the financial aspects of government and presenting of the budget. We are looking at the fact that last year the Ministry of Education was essentially allocated another \$1.1 billion over and above what was spent last year in education, so we want to make sure that money is directed to the right programs. We appreciate that direction from you.

One comment I'd like to make is that I note at the beginning you talked about the fact that the fiscal picture painted by the government in its fall statement etc. is really lowballing the economy and saying that the picture is much rosier than we have envisaged. Well, yesterday we had the diametrically opposite presentation by Toronto-Dominion Bank economist Don Drummond and also by Jack Mintz, from the C.D. Howe Institute and the University of Toronto. Mr. Mackenzie, whom you quoted, gave us that rosier picture. I wish Mr. Mackenzie were right; that's all I can say. But the reality is, with the Canadian dollar ranging in the area of 83 cents to 85 cents and the impact on Ontario manufacturing and exports, we've got some challenges in Ontario.

I just want to put that in context. We certainly look at all the forecasts, and we're going to continue to look at all other forecasts besides Mr. Drummond's, Mr. Mintz's and Mr. Mackenzie's. That's why we don't try to paint pictures. The ministry staff, in essence, takes an average of all the reputable forecasters.

I couldn't agree with you more about adult education. I think that's a critical investment, and hopefully we can find a way of getting the federal government to invest in newcomers to Ontario like they invest in newcomers to Quebec. As you know, Ontario gets \$800 per new arrival; Quebec gets \$3,800. That might be a way of investing more and freeing up some money so we can invest in adult education.

One of my colleagues has a question.

Mr. John Wilkinson (Perth—Middlesex): First of all, thanks for coming. I'll be brief. As we have stated before to other members of the OSSTF, it took us a while to get into this mess and it's going to take our government a while to get out of it; I know the minister is working hard.

Specifically, what I want to talk about is your number one recommendation—we've heard it from others—about the foundation grant. What is disturbing for us, and I'm sure for you as well at the secondary school level, is this increasing dropout rate, which stems back to the curriculum and having the supports, particularly in the

applied area, to make those kids have the best chance at succeeding. Can you explain to me, if we were to spend the money on the foundation grant—that one thing, because we can't afford to do everything—how that would translate into changing that problem, which is a huge cost to society going forward? We always have to look at the impact of applying scarce resources. I'd appreciate that.

Ms. Kimberley-Young: I'll try to answer that in the time allotted. I think our key recommendation around many of the points we've tried to make, and with students at risk in particular, is that they need supports. That translates into people, whether it's educational assistants or professional support personnel who are helping them or teachers or smaller classes. It translates into staffing. That requires funding. Yes, improvements to the base funding, the benchmarks, would certainly assist in that. But it's also going to have to be dealt with through other issues in regulation and the funding formula. If the financial restraint isn't there, there are other technicalities in the way the funding is applied and the regulations are applied that still pose hurdles. That has to be a bit more multi-pronged, but it first requires investment.

If I can make a remark on adult ed. as well: If we're talking about students who are vulnerable, certainly we have seen cutbacks over the years in ESL funding as well, and if we're looking at new Canadians and ensuring that they get a good start, certainly those are also valuable expenditures. In terms of adult ed., we do believe it is an investment. Yes, we know it costs money. But waiting solely on the hope of federal dollars is not going to give the people who need that opportunity today the kind of immediate support they may need.

In terms of Hugh Mackenzie's study, I think if we look at the CCPA's track record on alternative federal budgets, they were a better predictor of the federal surplus than any of the other bodies. I think their track record on prediction is actually quite valuable.

The Chair: Thank you for your presentation this morning.

ONTARIO LONG TERM CARE ASSOCIATION

The Chair: I now call on the Ontario Long Term Care Association to come forward, please.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard. You may begin.

Ms. Karen Sullivan: Good morning. Thank you for the opportunity to be here today. My name is Karen Sullivan. I'm the executive director of the Ontario Long Term Care Association. With me is Brent Binions, who is a member of our board of directors. We represent the private, not-for-profit, charitable and municipal operators of 425 long-term-care homes that provide care and

accommodation services to over 48,000 residents throughout Ontario.

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On any given day, there are more than twice as many Ontarians in long-term care as in hospitals and there are more than three times as many long-term-care homes as hospitals. This is not a relative merit comparison. Rather, it demonstrates that Ontarians rely heavily on this publicly funded and publicly regulated health care service.

Our members, in partnership with government, strive to provide this service to meet the changing needs and expectations of residents and their families. The fact that it is a partnership, with government providing the funding for care and program services, is why we are here today. Without appropriate funding, our members can neither meet these needs and expectations, nor can they effectively support government's health care transformation agenda.

I've circulated our November 2004 submission to the Ministry of Health and Long-term Care for appropriate long-term-care funding in the 2005-06 budget. Long-term care receives funding in three specific envelopes—nursing and personal care, program and support services and other accommodation—so that government can target funds and keep homes accountable. I will now highlight our requests in the context of these funding envelopes.

The need for increased operating funding for our sector has been well documented. The 2001 level-of-service study compared long-term care in Ontario to 10 other jurisdictions and found that Ontario's level of care was lower than in any other province, state or country studied. Successive governments have since been providing operating funding increases to close this gap.

The current government made it a priority with an electoral commitment to increase operating funding by \$6,000 per resident, for an overall funding increase of approximately \$450 million. Their first budget increased base funding by \$96 million, with a commitment to an additional \$20 million on April 1 this year. This is roughly one quarter of the government's total commitment. The sector is now requesting the next quarter of this four-year commitment, approximately \$98 million, or \$3.57 per resident per day.

The funding increases provided in the 2004-05 budget, like those of the former administration, have been primarily targeted at what everyone agreed was the most immediate priority: more nursing staff to provide more care. The gains made to date, however, can easily ebb away without additional funding support, so nursing and personal care must remain a priority.

The \$20 million already announced in the nursing envelope for 2005 is about 75 cents per resident per day, or \$16,000 in new funding for a typical 60-bed home. This will only help meet inflationary pressures to maintain current staffing levels. It's why our \$98-million request includes another \$30 million, or \$1.05 per resident per day, in this envelope.

At the same time, however, we cannot continue to overlook that achieving quality in long-term-care ser-

vices is about more than adding just nursing staff. Minister Smitherman's parliamentary assistant, Monique Smith, said it best in stating that the sector review which resulted in her report, *Commitment to Care*, was guided by the following fundamental principles: "A premise that a long-term-care facility is a home to resident seniors; a need to ensure respect and dignity for our senior population in care; and finally a belief in an entitlement to a life of quality in government-funded homes."

Ontarians share Ms. Smith's belief in this entitlement. OLTCA believes that in 2005, the elements that most directly impact the quality of life for those 75,000 residents must become a government funding priority. These include enhanced activity programming and volunteer coordination that engage residents by providing more choice and variety of programs, one-on-one and small group activities that benefit residents with dementia, and additional weekend, evening and multi-cultural programs; physiotherapy and other therapy services, such as occupational therapy and speech-language pathology, that ease the pain and discomfort of illness and aging, support Ontario's stroke strategy and maintain a resident's ability to do everything from walking and swallowing food to getting dressed; social work, chaplaincy and palliative care services that alleviate stress, provide spiritual support and enhance dignity for both residents and their families during an often emotional time; and increased dietician services to enhance nutrition care.

As governments rightfully have strived to provide more nursing staff, there have been only nominal funding adjustments to the program and support services envelope that funds the above services. Of the \$121 per diem, the government currently provides \$6.40, or \$2,336 per year in this envelope. Ms. Smith's report identified that more needs to be done in these areas, and we agree. This can only happen with increased operating funding that contains an elevated priority for the program and support services envelope.

In this context, physiotherapy services require specific attention in the 2005-06 budget. The fact that nine out of 10 long-term-care residents who would benefit from physiotherapy services do not get these services was documented in the 2001 level-of-service study. That situation has not substantively changed. There is also a significant imbalance in resident access to the physiotherapy services that are provided. Most of these services are provided under the OHIP schedule 5 program and, due to the local availability of these providers, not all homes have been able to access these services. At the same time, some homes have been able to access more services than others. In the 2004-05 budget, the government indicated that funding for schedule 5 physiotherapy would be delisted on April 1, 2005. There was also a commitment made, however, to continue to provide physiotherapy services to residents in long-term-care homes.

The options being considered to accomplish this include providing funding in the program and support

services envelope and targeting it specifically for physiotherapy or other therapy services. OLTCA supports this approach as it will begin to address the equity-of-access issue. However, by itself, it will also result in massive reductions of service for homes that currently access schedule 5. That's why we're requesting an additional \$1.24 per resident per day, or \$34 million, in the program and support services envelope for all homes to purchase additional physiotherapy, occupational therapy, speech-language pathology and other activation services.

To fully provide residents with access to a life of quality, we are also asking that new funding be targeted to enhance dietary services and raw food expenditures. The preparation and service of high-quality food is key to one of the most important and pleasurable parts of the resident's day. That is why approximately \$17 million of our request is targeted funding for dietary services and raw food expenses. A small amount of additional funding, approximately \$13 million, is also necessary to sustain current service levels in the accommodation envelope.

Finally, the physical living environment facilitates high-quality program delivery and enhances resident dignity, privacy and comfort. With the 20,000 new bed expansion program and the D bed redevelopment program now nearing completion, government must address the ongoing maintenance and renewal of the 600 physical structures that 75,000 Ontarians call home. The immediate priority must be to begin a renewal program for those 36,000 beds in what we call B and C homes that to date have been ignored. Realistically, and in fact practically, this renewal cannot happen overnight. However, we believe that a significant start can and should be made in 2005 by providing \$7.5 million to upgrade the first 2,500 of these 36,000 beds.

In summary, then, OLTCA was pleased to see in the 2004-05 budget that \$20 million had already been committed for 2005. However, as I pointed out, this funding will, at best, maintain existing staffing levels. It will not address therapy, activation, dietary and other quality-of-life services. Therefore, for the 2005-06 budget, OLTCA asks this government to continue to fulfill its much appreciated commitment to long-term-care residents. We ask that operating funding be increased by \$98 million, or \$3.57 per resident per day, with an emphasis on the program and support services envelope, while not overlooking the issues related to nursing, raw food, dietary services and increased operating costs. We also ask that funding be provided to begin the capital renewal process.

With these initiatives, government will not only continue to fulfill their funding commitment, but more importantly, they will directly contribute to an enhanced quality of life for residents in government-funded homes and better equip these homes to be partners in government's health care transformation agenda. Thank you.

The Chair: Thank you. This round of questioning will go to the official opposition.

Mr. Barrett: I wish to thank the Ontario Long Term Care Association for running through some of these

numbers. I hear what you're saying with respect to physiotherapy, occupational therapy, recreational therapy, dietary and other quality-of-life services. You indicate that nine out of 10 long-term-care residents are not accessing physiotherapy services. I should know this: There is no impact at all with respect to the present government's delisting of chiropractic services as an essential health service?

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Ms. Sullivan: Well, part of the issue with the schedule 5 provision of services is that a significant number of homes don't have access to that and then some do. So part of the fix around that is to figure out how to make those services accessible to all homes, and that's what we're hoping happens April 1, after the delisting of schedule 5, in order to meet the commitment to provide physiotherapy.

Mr. Barrett: With respect to residents' access to optometry or chiropractic services, how does that work?

Mr. Brent Binions: It would be extremely unusual for residents in long-term-care facilities to get chiropractic services. They would have to go outside to do that, just as anybody else would. They're not provided in the home in 99% of the cases.

Optometry, again, is done by way of appointment. If the doctor or the nurse or the family wants them to have an appointment, they have to be taken outside to access that service, just like anybody else would.

Mr. Barrett: Dental hygiene?

Mr. Binions: By and large, we try to bring the dental programs into the home. There are numerous companies that provide dental hygiene services in the homes on contract with the family members directly.

Mr. Barrett: Under the supervision of a dentist?

Mr. Binions: Under the supervision of the home itself.

Mr. Barrett: Under the supervision of—

Mr. Binions: Of the home operator itself.

Mr. Barrett: But a dentist would be required to sign off on that, or could a dental hygienist?

Mr. Binions: All those companies have a dentist who oversees the program, yes.

Mr. Barrett: OK, then. With respect to the new bed expansion and the redevelopment of D beds now nearing completion—I think in my area a number of the buildings are still under construction. How close to completion are they?

Ms. Sullivan: We're very close. There were 20,000 beds announced, and almost 18,000 are open. There are about 1,000 to build and 1,000 that are slower coming on. But the D bed program has another year. So if there are rebuilds in your area, that might be what you're seeing. The D bed program had a different deadline, 2006.

Mr. Barrett: Obviously that program was a long time coming. With respect to D beds and C beds, could you just clarify what that stands for? Was there a program in the past to upgrade those beds?

Mr. Binions: Well, there has never been a program to upgrade B and C beds. The only program for upgrade is the D beds.

Mr. Barrett: What are B and C beds?

Mr. Binions: A C bed is a home that meets the 1972 standards. When we brought long-term care into the insured program, government-funded program, we set standards in 1972. Those standards had not changed until 1998, when we began the program for building 20,000 new beds. In between that, as we got closer to the very early 1990s, the government, quite rightly, said that the current homes structure wasn't right for the residents, so there was a push to get people to build more space and more amenities, more facilities into these homes. Those homes built in the early 1990s were built at a little different level, and those are called B-class homes. So the Cs were the ones that met the 1972 standards, Ds didn't even meet the 1972 standards and Bs were something a little above 1972. The new standards are the A-class homes.

Ms. Sullivan: Of the 36,000 homes, 31,000 are C beds. So most of them are the older 1970s style.

The Chair: Thank you for your presentation this morning.

ASSOCIATION OF COLLEGES OF APPLIED ARTS AND TECHNOLOGY OF ONTARIO

The Chair: I would ask the Association of Colleges of Applied Arts and Technology of Ontario to come forward, please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes for questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard.

Mr. Rick Miner: Thank you very much. My name is Rick Miner. I'm the chair of the committee of presidents of the Ontario colleges, and I'm also president of Seneca College.

Mr. David Lindsay: I'm David Lindsay, the new president of the Association of Colleges of Applied Arts and Technology of Ontario.

Mr. Miner: You would have received a copy of a slide deck. I'm not going to read from it. I'd really like to talk more off the cuff in terms of giving you a better sense of where the colleges are and where they think they ought to go. That ought to give us a little more opportunity to enter into a dialogue about how we may get there, because we see colleges being an instrumental vehicle in terms of the economy of the province in the decade to come. Clearly, we're entering a very significant point in terms of economic competition. It's not only hemispheric competition, it's international competition. The role the colleges are going to play is a particularly important point in that, because ultimately it's the skills of our populace that will drive our economy.

Currently, we aren't graduating enough people with post-secondary credentials. In general, if you look at the 25- to 34-year-old age group, about half of those people get a post-secondary credential. In other parts of the world, they're pushing the high 60 percentage points; some are targeting up to 90%. We think it ought to settle somewhere, at least as a first shot, around 70% to 75%.

We are also going to have significant problems with skilled labour. About half of our skilled labourers right now will retire in the next 15 years. A recent survey by the Ontario Chamber of Commerce showed that some 40% of respondents indicated they're going to have a skilled labour problem within the next five years. We see colleges as really the key, the access, to solving these types of labour problems.

As you probably know, there are 24 colleges around the province. Every constituency has a college presence of some kind or another. We train over half a million adults; 150,000 of those are full-time students, and the balance are part-time students. We graduate about 50,000 in any year. We do about 90% of all the apprenticeship training. Our graduates have been successful. We have over a million graduates of the college system. We routinely take measures of our performance, and 92% of our employers indicate they're satisfied or very satisfied with the quality of students they receive.

Also, we see education as not an expense as much as an investment. We commissioned an independent economic survey to basically ask the question, "What value is there for the government and the taxpayers in investing in post-secondary education, more specifically colleges?" The independent economist came back and indicated there was a little over a 12% return on investment. That's a pretty good return on investment by anybody's gauge.

When we look ahead, we do have a vision of where we think the province should be going in terms of colleges and post-secondary. We think it should set a target of at least 70% of the population, that young population in particular, having a post-secondary credential and actually completing it. We would say that there should be encouragement to get underrepresented groups into the education system—aboriginal, low income and new Canadians in particular—and we think there should be better resources to support this level of education. We are going to require some support. You probably are well aware that the college system has been chronically underfunded for the last 15 years. The level of government support has dropped 40% in that period. We are now the lowest-supported post-secondary system in Canada.

There are a couple of graphs that visually illustrate for you how the gap has grown in the last 15 years and one that shows the 2002-03 provincial comparisons, and those are the most recent ones.

I think a fair question, if I was in your shoes, would be, "With all the underfunding, how do you manage to survive?" We've done it in ways that we're not real happy about. If you were to look at instructional hours 15 years ago, what you'd find is a significant reduction in instructional hours. You'll also find a reduction in student-faculty ratios. You'll find that there are much lower levels of non-academic and academic support for students. You will find that we have not invested in our technology as quickly as we should, and at times we're training people on antiquated equipment. What is not on the slide deck is that we have a significant deferred maintenance problem. We've just held off fixing things

because we felt that running the college was better than fixing the leaks.

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But we do have hope. We see a renewed interest in the role of post-secondary education in the economy. As you know, there will be a report from Rae coming out probably sometime in February, and we're encouraged by some of the comments coming from him and his panel. We think there's going to be a bold new opportunity to link college training with the economic environment of this province.

In summary, what we're saying is, let's make sure we train enough people. Our minimum target is 70% of that 25- to 34-year-old group. Let's look at implementing reforms, particularly in the area of transfer credit. It saves students money and it saves the taxpayer money. Students should not be required to retake things they've already taken. We need improved transferability between colleges and colleges, universities and universities, and universities and colleges. Restoring the funding of the colleges, we think, is going to be instrumental. The basic decision is that you can pay some now or you're going to pay a lot more later. As the requirements for increased levels of education interface with the economic realities, there will be a point where that has to be improved.

I thank you very much for your time and look forward to your questions.

The Chair: This questioning will go to the NDP.

Ms. Martel: Thank you for being here today. We appreciate your presentation. Let me ask two questions. Tell me, what would be the cost to restore funding to Ontario colleges to get us just to the middle of the pack, and then what would be the investment required to get us to where we should be, which is at the top?

Mr. Miner: The gap right now is about \$300 million. If all the other provinces did nothing and Ontario invested \$300 million into the college system, then we'd be at the national average.

Ms. Martel: At the average. OK.

Mr. Miner: That would just put us at the average. The answer to the other question, where should we be—I obviously have a bias there. I think we should be higher. It's more difficult to give a precise number, but I'm drawn to the fact that the government gets a 12% return. So if you put in \$100 million more, then you're going to get \$12 million back, and you're going to get that back over the whole life of the individual who's trained. So, in fact, you'll recoup your entire investment within 10.5 years of making it, which is a pretty good investment opportunity.

Ms. Martel: Can you tell me what you got last fiscal year as an increase, both percentage, and then can you give me—

Mr. Lindsay: It was a \$25-million investment and \$30 million, so in total about \$50 million.

Ms. Martel: Was it 50 or 15? OK; \$50 million.

Mr. Lindsay: The \$25 million, which was a one-time investment, and then the \$30 million was the continuation of the funding from previous years.

Ms. Martel: So the one-time investment was not added to base, so it might have helped—

Mr. Miner: No. It was a one-year commitment to address problems associated particularly with certain colleges that were having economic difficulties.

Ms. Martel: Was it operating funding or capital?

Mr. Miner: It was operating. But it's for one year.

Ms. Martel: Right. That's the same thing the minister is doing with hospitals this year. Half of that money is going for deficits that are going to carry to next year, so now we've got an even more interesting problem for next year.

So \$300 million; what has been the government promise for this year? Do you have any sense yet? Have you been having some discussions with ministry officials about what they anticipate, or are they holding off until—

Mr. Miner: They're holding off till Rae.

Ms. Martel: OK. And what has the government said about its commitment to the Rae review? That would be my next question. It's clear that Bob Rae is out doing work. Lots of people have different expectations. Whether or not the government responds to those expectations is another matter altogether.

Mr. Miner: Our impression is that the government is committed to seriously considering the recommendations coming out of Rae.

Ms. Martel: Can I ask what the colleges, in your submission—is it essentially the same as you've given to us today? What did you present to Bob Rae?

Mr. Miner: The one to Bob Rae was far more detailed. This one looks at it more from an economic point of view, so at least the economic point of our submission would be the same. But his was much broader than that in terms of system design, funding formulas, underrepresented groups, access and the like. So it was a more comprehensive submission because he wasn't dealing simply with the financial side.

Ms. Martel: Can I just return to the \$50-million investment from last year? The \$25 million that was then added to base: What was the percentage amount to all colleges? Is that how it flowed?

Mr. Lindsay: No. That's how they maintained the existing funding, based on the double cohort that came through, so it was distributed based on the student enrolment.

Mr. Miner: It's enrolment-based, so that way it's somewhat equitable across the system.

Mr. Lindsay: The additional \$25 million was not enrolment-based.

Ms. Martel: The \$25-million one-time was not. OK.

Mr. Miner: Correct.

Ms. Martel: OK. You're here before the committee at this point. What are you asking from the government this year? Is it to get us to the national average?

Mr. Miner: We want to be at the national average as soon as possible. There is obviously practicality there, but we've got to get there. I do a lot of work with my colleagues in the States, and whenever you get into a meeting with them, they say, "Thank God for Mississippi,"

whenever they compare anything. Unfortunately, we're getting to the point where people are saying, "Thank God for Ontario," because we are really lagging behind where the rest of the country is in terms of their college education.

The Chair: Thank you for your presentation this morning.

MERCK FROSST CANADA LTD.

The Chair: I would ask Merck Frosst to come forward, please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questions following that. I would ask you to state your name for the purposes of our recording Hansard.

Interjections.

The Chair: I'd ask members to please refrain from crosstalk.

Ms. Tama Donohue-Walker: My name is Tama Donohue-Walker. I am the director of corporate affairs for Ontario. With me today is Amanda McWhirter, the manager of external relations for Ontario. We appreciate the opportunity to present to the committee and share with you our views on how Ontario's economy can benefit from a strong and robust, innovative pharmaceutical industry.

My remarks today highlight the comments and recommendations put forth in our written submission. Our presentation today will focus on three themes: the benefits of a strong biopharmaceutical industry in Ontario; the importance of access to medicines; and patient health management—a health systems approach.

By way of background, Merck Frosst Canada Ltd. is one of the country's leading research-based pharmaceutical companies. The Merck Frosst Centre for Therapeutic Research is one of the largest private biomedical research facilities in Canada. In 2002, we invested more than \$120 million in research and development in Canada.

Here in Ontario, Merck Frosst values its relationship with the research and academic community. Merck Frosst spends millions of dollars annually on research, salaries, benefits, grants and sponsorships. By way of example, Merck Frosst recently invested \$5 million in the Roberts Research Institute in London to establish the country's first research centre dedicated to respiratory infection.

In Ontario, innovative pharmaceutical companies employ over 9,100 people, and in 2003 invested \$537 million in research and development. The capacity to discover new and innovative medicines here is of major significance from both a health care and an economic development perspective.

Knowledge-based industries, including the pharmaceutical sector, are key drivers of productivity, economic growth and improvements in the standard of living. When you look at the relationship between the innovation index and the gross domestic product per capita, you see that innovative economies are the most prosperous.

The innovative pharmaceutical industry creates new opportunities for high-value research, and in the process produces high-value jobs and significant spinoff economic activity. In terms of job creation over the last 30 years, the pharmaceutical sector has substantially outperformed the overall manufacturing sector. Statistics Canada estimates that the biopharmaceutical sector has an employment multiplier effect of 2.02, which is one of the highest multipliers of all industrial sectors.

Of all the applications of life science, the pharmaceutical research sector has the greatest potential for growth. For example, pharmaceutical R&D has risen from \$166 million in 1998 to \$1.2 billion in 2003. However, we are not achieving our full potential. For instance, Canada captures 1% of worldwide R&D investments, yet we represent 2% of the worldwide market. This means that we could double our R&D investment in Canada to get our share.

Merck Frosst looks at several factors when making investment decisions; chiefly, whether the jurisdiction supports a productive innovation system and whether it holds the conditions which make it attractive to commercialize. These would involve having policies that would provide intellectual property protection, fair and reasonable market access, efficient regulatory review times, R&D commitments from local government and tax credits that incent investment.

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As a company, we are encouraged by this government's commitment to growing the economy and investing in highly skilled jobs. As the second-leading sector in R&D, we would encourage the government to work with the pharmaceutical sector to explore ways to increase R&D investment and benefit from fostering a more innovative, and therefore prosperous, economy.

New medicines have allowed people to live longer, improve their quality of life and lead more productive lives. For example, patients with HIV-AIDS are now able to live more productive and fulfilling lives thanks to the innovations in pharmaceuticals. Medicines have also enabled the transformation of health care from less institutional care to more out-patient and community-based care, contributing to superior outcomes and the reduction of waiting lists.

Vaccines have been instrumental in using health care dollars more effectively. Each year in Ontario, nearly 900 people are hospitalized and more than 234,000 days are lost from work as a result of chicken pox. This results in nearly \$10 million in direct health care costs and \$38 million in indirect societal costs annually. We would like to applaud the government for fulfilling its commitment to expand access to vaccinations for the prevention of chicken pox, meningococcal meningitis and pneumococcal disease.

We recognize that the government is faced with many fiscal challenges. We are also aware that drugs are one of the fastest growing components of health care spending. However, innovative medicines within the Ontario drug benefit program represent just 6.5% of the Ontario health

budget, and as the vaccine example I just mentioned illustrates, we believe that it is an investment that helps keep the costs of the overall health care system low.

Columbia University professor Frank Lichtenberg has done detailed research about the value of drugs in the health care system. He demonstrated that in 2001, for every \$1 spent on new medicines, the savings in other parts of the health care system were between \$6 and \$8.30. About two thirds of this reduction was in hospital costs and the other one third was about evenly divided between savings in physician and home care costs.

While we recognize the difficult immediate fiscal situation, evidence suggests that cost-containment measures, or policies that further restrict access to medicines, not only provide less optimal care for patients, but over the long term end up costing the health care system more.

The Ontario government should be recognized for its recent improvements in the regulatory system. For instance, the government now provides more timely updates to the drug formulary. However, more work remains to be done. Unfortunately, Ontario remains one of the most restrictive provinces, with only 32% of all new medicines in the past five years listed on the formulary. For those that do receive a listing, it takes, on average, 500 days to get listed.

Administrative barriers can also have a significant impact for patients, physicians and pharmacists. For example, physicians can request coverage for products not included on the formulary through a process called section 8. Despite the government's efforts and commitment to rapidly reviewing these requests, physicians report that it now takes as long as four months to process these requests. In the interim, these patients may go without needed therapy. This process has become a costly and time-consuming administrative burden for the Ministry of Health and Long-Term Care. In 2003, the over 120,000 section 8 requests actually required the hiring of additional ministry staff to process them all.

As committee members are well aware, the ODB program provides benefits to seniors and those who may be economically disadvantaged. People who have access to an employer plan or private drug plan generally have almost immediate access to a significantly broader range of medicines. Therefore, further restricting access on the drug formulary, or employing cost-containment measures that create a greater financial challenge for those who are eligible for the ODB program, will result in denying access to those who need the medicines the most.

We would also encourage the government to look at some of the proposed changes to pharmaceutical policy being considered by the province of Quebec. As committee members may know, Quebec represents 42% of Canadian pharmaceutical research and development expenditures, the largest share of pharmaceutical R&D. They enjoy this investment due to their inviting domestic policies and a commitment to innovation. By way of example, some of the changes Quebec has recently proposed are an end to the price freeze in this province; and a commitment to refrain from implementing a reference drug pricing policy.

Merck Frosst is a leader in the field of patient health management, an approach to health care that promotes wellness and health management by focusing health care resources on closing care gaps to improve health outcomes. A patient health management approach is achieved through partnerships involving government, health care providers, patients, academia and the pharmaceutical industry.

Merck Frosst has led many disease management initiatives across Canada. For example, we initiated a program in Nova Scotia called improving cardiovascular outcomes in Nova Scotia, or ICONS. This province-wide program in cardiovascular disease showed significant improvements in health outcomes, including a reduction in mortality, as well as a reduction of approximately 3,000 rehospitalization days per year. This resulted in a system cost avoidance of nearly \$2.9 million for just one disease—congestive heart failure. As a result of the success achieved with this initiative, ICONS has become an operational program of the Nova Scotia Department of Health.

Merck Frosst strongly encourages the government to employ patient health management strategies. The Ontario government has stated that information systems and management of chronic diseases are a priority. We are pleased to see the government indicate a willingness to do more with chronic disease management in areas such as diabetes and osteoporosis, and we are encouraged with the recent announcements to include disease management in the creation of family health teams. However, we would recommend the government develop a province-wide strategy so that patients and health care practitioners can benefit from the improved outcomes.

In conclusion, Ontario has the opportunity to attract much more investment from the pharmaceutical industry than it currently does. It holds many of the prerequisites for the potential of increased investment, such as strong science and research infrastructure. However, over the past several years, Ontario has begun to lose its edge in competing for additional investments, therefore losing out on the potential economic benefits that come with these investments.

We encourage the government to look at Merck Frosst and the pharmaceutical industry as a partner in fostering economic growth. We appreciate the government faces many challenges in keeping its fiscal house in order. However, we would like to emphasize that medicine should be viewed as an investment and serve as a means of not only providing better outcomes for patients, but also as a means to more effectively use our health care dollars.

Merck Frosst is committed to fostering meaningful and sustainable partnerships with government, health care professionals and others with a shared vision to deliver the most valuable health outcomes for patients. We believe in scientific excellence, in bringing to market true advances in patient care and in maintaining the highest ethics and values in everything we do. By building on these strengths, we will continue to help people live longer and better.

Again, I thank you for the opportunity to present to the committee today, and at this time I would be pleased to answer any questions you may have.

The Vice-Chair (Mr. Phil McNeely): Thank you for your presentation. We'll go to the government and Ms. Marsales.

Ms. Judy Marsales (Hamilton West): Good morning. Thank you very much for your insightful presentation. I'm not sure if you're familiar with this, but just a couple of days ago, McMaster University in west Hamilton announced that they had purchased an old industrial site called Camco for the purpose of building a research park. The emphasis on the research park is the commercialization of research and some of the outcomes of research. I was wondering if you could identify what, in your view, some of the obstacles are currently before research in terms of commercialization.

Secondly, I'm led to believe that drugs are the fastest rising cost of health care. You touched on price containment. What more can be done? Clearly, we can't continue going along that path of increases. I'd be interested in your comments on those two issues.

Ms. Donohue-Walker: Regarding the initiative in Hamilton, I did read about that, and I think that is very similar to the things that are going on, for instance, with MARS, the medical and related sciences initiative here in Toronto. These are some initiatives that are heading in the right direction. But from the perspective of the pharmaceutical industry, we compete on a global basis for research and development dollars. So although it may seem like we're making great progress and great strides, in terms of commercialization it's very important for our industry, as I mentioned, to address some of the issues that exist here, not only in Ontario but in Canada as well, in terms of intellectual property protection, access to the market in terms of reimbursement of pharmaceutical products and a rapid regulatory review, for instance. As I said, Ontario is lagging behind in some of these things, and when decisions are being made on a worldwide basis, we have to take all of these factors into account. We feel Ontario has a lot to provide, but we really need to put Ontario out on the worldwide stage. There are opportunities, like BIO 2005, where we would be able to put Ontario out there and show what Ontario has to offer. I think a lot more could be done in that regard, working co-operatively with the industry.

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Regarding the growth in the drug budget, as you mentioned, it is growing at approximately 15% per year. What we are suggesting is that we have to look at why it's growing at 15% a year. One of the reasons is that it's actually replacing the costs of other expensive kinds of health care—surgeries, for instance. It's also leading to prevention of disease, avoiding hospitalizations, keeping people out of hospital in the first place. Although it does stand out as some place where it seems like there may be an issue, we would put forward that there is a lot of value to the overall health care system by continuing to pay for these medicines, recognizing that we do have an older

and aging population. As that population continues to age, we will see continued growth in the drug budget, but it's because of the shift of one type of health care to another type of health care, which is one where you can actually avoid costs in advance.

The Vice-Chair: Time for one more question, Mrs Mitchell.

Mrs. Carol Mitchell (Huron—Bruce): This is sort of expanding on it further. Your number 4 recommendation with regard to the nine diseases that make up 82% of the expenditures—and you're recommending patient health management programs. You also said that you were in support of health teams. Could you please expand on that so I would have a better understanding of what your recommendation is?

Ms. Donohue-Walker: What we are suggesting is that there's an opportunity for all of the partners to work together in closing care gaps in terms of disease management types of programs. For instance, diabetes has been offered as one area of interest. If there was a way we could work together to identify what the standards of care are, what the evidence is, what the appropriate therapies and treatments are for those patients, getting physicians to be incented to meet certain standards of care, giving them feedback on what their current care is right now and how that might be improved, then there's an opportunity to have ultimate cost savings within the system.

The Vice-Chair: That's the end of the time for questions. Thank you very much for your presentation.

MYCHOICE.CA

The Vice-Chair: We'll now have the group MyChoice, if you could come forward. You have 10 minutes to make your presentation. Following that, there will be five minutes to the official opposition. When you begin, could you please state your name for the purpose of recording Hansard.

Ms. Nancy Daigneault: OK. Good morning. My name is Nancy Daigneault. I'm here today as president of MyChoice.ca to speak on behalf of the 15,000 Canadians who have become members since it was launched on September 28.

MyChoice.ca is an online smokers' rights association and Web site dedicated to giving adult smokers a say in tobacco policy. Its goal is to not turn back the clock but to restore balance and civility to the smoking debate. Of our 15,000 members, 12,000 are from Ontario. Their message on the taxation issue is very simple: Smokers are tired of being treated as cash cows.

Federal and provincial taxes currently account for an average of 70% of the cost of cigarettes and generated combined government revenues of \$8 billion in 2003-04. Of this figure, \$7 billion was in direct tobacco taxes on smokers; the remainder was in general sales taxes. This represented an increase of \$3 billion since 1999-2000. According to the Ontario government public accounts, tobacco tax revenues for this province's coffers alone more than doubled during this period to \$1.35 billion in 2003-04.

I understand the estimated revenues for this current year are \$1.45 billion, but one suspects that this will be a little bit higher given the fact that the government will benefit from the two tax increases it implemented soon after coming to office in late 2003 and a third tax hike of \$1.25 a carton, which was announced yesterday.

The expectation is that a fourth tax increase will be included in the new budget, and according to comments by the finance minister in the media, smokers will be the only ones facing a tax increase. At this rate, Ontario's share of tobacco taxes from smokers easily matches the \$1.7 billion a year the provincial health minister claims that smokers cost the health care system in this province. But smokers are actually paying much more into the health care system, and here's why. When combined with the share of more than \$3 billion in tobacco taxes paid to the federal government, Ontario smokers are actually contributing \$2.5 billion or more into the health care system just by purchasing their tobacco products. That's close to 50% more than the Ontario health minister says smoking-related illnesses cost the health care system in this province. These tobacco tax revenues are in addition to the health care premiums, income taxes, other sales taxes and all the other levies that smokers pay along with the other people in Ontario.

Smokers are tired of being so heavily taxed and then falsely accused of being a drain on the health care system. They pay higher consumer tax rates for their tobacco purchases than any other groups, and that includes motorists and drinkers, and are major contributors to government revenues and the ability of governments to pay for health services. But don't take my word for it. You can believe Health Canada. Its own study into this very issue in 1997 stated that smokers contributed \$5.4 billion more into the health care system than they took out. Since the number of smokers has continued to decline since that time but the tax revenues have indeed soared, it seems fair to suggest that this net surplus contribution is even greater right now.

Is it any wonder that smokers believe the government's real goal in passing tough smoking regulations is to shame smokers into accepting more tax increases? Even anti-smoking groups admit governments are driven by a desire for revenues and not health issues when taxing smokers. At the 2004 Ontario Tobacco Control Conference in Toronto, anti-smoking delegates were advised to find ways to "piggyback" smoking on to other issues to make it easier for governments to raise taxes. "Governments got into financial trouble and they started raising tobacco taxes," was how Francis Thompson of the Non-Smokers' Rights Association explained why governments have been imposing big tobacco tax increases in recent years. Vicki Francis, representing the Council for a Smoke-Free PEI, said, "Every government in trouble has had one"—a sales tax increase—"but we've paved the way by making it palatable to do that and that's because we have health messaging."

There are other reasons to question if deterrence is the real purpose of high taxes. Smoking rights in the United

States, for instance, over the past three decades have declined at very much the same pace as those in Canada, despite the fact that until very recently US products were taxed relatively lightly, so prices were much lower than in Canada. This would suggest that public awareness of health risks and education campaigns are the real drivers in bringing down smoking rates.

MyChoice.ca members are not solely concerned with the amount of taxes they are now being forced to pay; they also question how governments are using that money. Much more could be spent to help smokers quit, yet all levels of government spend only a fraction of their revenue from tobacco taxes in ways to help those who do smoke lessen their health risks. A perfect case in point: Last year the federal government alone earned more than \$3 billion from tobacco taxes, but its five-year tobacco control program has a budget of \$480 million. That's less than 4% of the tax revenues.

More than a third of our members have indicated in survey questions that they are interested in quitting smoking. And what is the Ontario government doing to help them? The answer is, quite simply, not very much. In March 2003, the Liberal promise election platform included a pledge to use increased tobacco tax revenue to make highly priced smoking cessation medication available to all smokers who are trying to quit. So far, that is the one promise regarding smoking that hasn't been kept.

Singling out smokers for tax hikes for the third time in little more than a year, and apparently preparing to hit them again at budget time, does not constitute fair government. Using the tax hikes to dramatically increase revenues and then accusing smokers of being a drain on the health care system does not constitute open and honest government. Governments have a duty to treat all of its citizens fairly and respectfully. It's time they began living up to this responsibility when it comes to smokers. Thank you very much.

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The Vice-Chair: Thank you for your presentation. We now have five minutes, and the questions are from the official opposition.

Mr. Barrett: I want to thank the MyChoice organization for testifying before the finance committee. As you've indicated, in Ontario we haven't had a tax hike for about 11.5 hours now. It may well be in keeping with today being Weedless Wednesday; that's a health promotion initiative that I feel has merit. I question why that good initiative, which was launched many years ago, is justification for a money grab.

In 1994, just prior to the NDP government rollback on taxes, combined federal and provincial taxes on a carton of cigarettes in Ontario were \$28.86. As of midnight today, the combined rate in Ontario now totals \$43.43 on a carton of cigarettes. That's up from \$28.86 under the NDP government.

Across the Dominion of Canada, governments accrue—and it's a moving target; we have to update it as of 11 hours ago—something in the order of well over \$8 billion every year from a crop that's grown in my riding,

in Norfolk and Brant counties, Elgin and Oxford counties.

This government promised dollars for smoking cessation. Again, my premise is that this has now become a money grab under the guise of health promotion. Do you have figures? How much money is this government spending on helping people to actually quit smoking?

Ms. Daigneault: So far they haven't announced any initiative with smoking cessation products, as they had promised in the last provincial election. I do know that the finance minister yesterday indicated that they are spending \$1.6 million on a smokers' quit line, a special phone line to help smokers quit. That's less than 0.02% of the actual revenue they're making from smokers in direct taxation. When you consider the fiscal year that ended, they took \$1.35 billion from smokers in taxes, and that didn't even necessarily include some of the tax increases they had announced after coming into office. So now we have a third increase, as of last night, of \$1.25 a carton.

I find it interesting that they did it incrementally this time rather than doing it at \$2.50, the way they did earlier when they came into office. I think perhaps that's because the government recognizes there is a threshold and, if they increase them any more, people will go elsewhere to get their cigarettes and that will certainly not help combat youth smoking, because people who are selling cigarettes illegally don't ask for identification.

Mr. Barrett: This finance committee is here to assist the government to make deliberations on taxation and revenue issues in the upcoming budget. They've announced this tax increase right in the middle of our deliberations. I take that the wrong way. We had three expert witnesses yesterday. That announcement was made right in the middle of their testimony.

Just following from your name, MyChoice, we do live in a free and democratic society, an open society. I feel people make choices; other people may deem some of those choices to be ill advised. Gandhi stated something to the effect that freedom also includes the freedom to err. However, in what is increasingly becoming what I refer to as Dalton McGuinty's nanny state, it's becoming the purview of this Ontario government to make choices for people. People oftentimes make errors in their choices. I would indicate that government oftentimes makes errors in making decisions or choices for people. I wonder, is there any comment on this?

Ms. Daigneault: Not everybody does make healthy choices in life. As adults, we all have choices to make. Some of us don't take care of ourselves the way we should. Some of us don't eat properly, some of us drink, some of us smoke. Some of these choices are not healthy ones, but we do have choices in an open and free democratic society. When the government tries to force choice on people, it sometimes backfires. We saw that in the early 1990s, when the taxes got to such a high level. People were not necessarily quitting; they were going elsewhere to get their tobacco products. As I indicated earlier, that's a very dangerous way to go, because if

you're trying to combat youth smoking, as this government claims it's trying to do, those people who are selling the cigarettes illegally are not going to be asking for identification.

The Vice-Chair: The time for questions has expired. Thank you very much for the presentation.

ONTARIO FORESTRY ASSOCIATION

The Vice-Chair: Our next presentation is from the Ontario Forestry Association. Could you please come forward? You will have 10 minutes for your presentation. There will be five minutes for questions afterward. Please state your name for the purposes of Hansard when you begin your remarks. You may begin now.

Ms. Carla Grant: I'm Carla Grant, with the Ontario Forestry Association.

Mr. John Cary: I'm John Cary, from the Trees Ontario Foundation.

Ms. Grant: I'll begin my remarks by thanking the committee for inviting us to provide input into your government's budget process. On behalf of the Ontario Forestry Association, the Ontario Woodlot Association, which could not be represented here today—they're based in the Ottawa area—and the Trees Ontario Foundation, we're very pleased to be here.

We wish to draw your attention to very significant threats facing the sustainability of Ontario's private forest lands. Two issues are important to your budget deliberations: the managed forest tax incentive program, which I will refer to as MFTIP, and tree planting on privately owned lands.

We commend and endorse your government's December 10, 2004, public statement and commitment for protection of Ontario's natural heritage through stronger property tax relief for landowners and conservation groups. The over 10,000 landowners participating in the managed forest tax incentive program are providing government and taxpayers with an inexpensive means to protect and enhance our forest landscape. These forests also provide rural and northern communities with economic benefits such as tourism and recreation and rural economic development.

The MFTIP is repeatedly mentioned as a crucial tool in implementing the greenbelt recovery act and the Ministry of Natural Resources sustainable green spaces initiative in order to achieve government natural heritage and environmental health goals. Landowners are encouraged by government's recognition of their role in protecting and enhancing these important natural landscapes. A strong MFTIP is necessary to bring necessary long-term incentives and recognition to landowners whose efforts result in more green space for southern Ontario.

Your officials at the Ministry of Natural Resources are presently working with the Minister of Natural Resources and stakeholders to develop a taxation assessment method for managed forests similar to the approach used for farmlands. As stakeholders in Ontario's private forests, we applaud and support this initiative and will

continue to work with government in supporting and strengthening the managed forest tax incentive program.

Incentives provide the program to work with a variety of other tools. The regulatory environment being created by government, combined with strong incentives, will assist government in achieving environmental goals. Financial assistance for tree planting is also a crucial incentive to create new green spaces in Ontario.

John Cary will continue.

Mr. Cary: Thank you, Carla, and thank you, Mr. Chair. I'd like to just put a little bit more flesh on that and explain to you what the Trees Ontario Foundation is and what it does, and also what an incredibly successful partnership, called the Trees Ontario Partnership, is doing at the moment.

I think you'll all agree that the southern forests of Ontario are under tremendous threat. They're coming under huge pressure because of explosive development. Really, if we're going to husband that, we've got to expand our tree-planting program.

I'll just speak a little bit to the Trees Ontario Foundation. It was founded in 1994, and its objectives are to fund projects that benefit the environment, specifically those that involve tree planting. We are perfectly accommodating to any other groups that share that particular interest. We want to preserve, protect, restore and improve the environment by promoting tree planting. It's across Ontario, but our focus is southern Ontario. We want to foster an understanding of the environment and the value in enhancing the quality of life by implementing tree-planting projects.

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I'm one of the trustees and the president of Trees Ontario Foundation. All those trustees are extremely interested in doing this stuff. One of our major tasks is going out to private industry and government and getting sponsorship, increasing our foundation funds so we can finance this.

The Trees Ontario partnership is an incredibly well-functioning partnership. In 2002, we held a large meeting at Black Creek village and all the institutions and associations that were involved in tree-planting came together. We're about 25 or 30, depending on how you count, of all those folks who are interested in tree-planting; not just putting the trees in the ground, but involving the private nurseries, because you can't do much in tree-planting if you don't have the infrastructure to produce the seedlings that have to go in the ground. So we've got a whole host of folks working with us.

The Ontario Ministry of Natural Resources has been a key supporter, as well as Ontario Stewardship, the Forest Gene Conservation Association, of course the Trees Ontario Foundation, and the Ontario Tree Seed Plant, which is out at Angus and part of the MNR infrastructure.

The Oak Ridges moraine is on board. Part of our partnership is Conservation Ontario. So we've got a really good community partnership at play here. We have a business plan, and that was really premised on the fact of

the collapse of tree-planting in southern Ontario. In the early 1990s it was 20 million a year; now it's a paltry couple of million, partly because of lack of infrastructure and lack of government and public support for this. We wanted to invigorate this exercise and make it work.

For example, if you were to give us money for tree-planting and the Oak Ridges Moraine Foundation money for tree-planting, we couldn't do anything because there are no trees to plant. So we have to generate and support the infrastructure that indeed puts the right seedling in the right place on the right site. So it's very important.

We know, of course, that there's a growing public demand for clean air, for watershed protection, for the value of trees in this rather smog-filled Golden Horseshoe. There are a whole bunch of things going on that I think are increasing the public demand for this sort of activity. Outside cities, of course, the farm owners and rural landowners are facing huge pressure to sell their property or subdivide. Of course, urban sprawl deforests—and I'm talking about deforests, not just cuts the forests down—about 3,000 hectares, or 8,000 acres, a year. Those go into tarmacs, malls and all sorts of other things and they'll never come back to forests. So we're worried about this very threatened forest.

We are at work at the moment. The partnership is working because we're working with the federal government—the Canadian Forest Service, which is part of Natural Resources Canada—to deliver a small program to do with Forest 2020, the Kyoto thing that everyone is talking about. So we are delivering 1,100 hectares through our partnerships. The money is coming into the Trees Ontario Foundation and then we use these delivery agencies, which are chiefly conservation authorities, to put trees in the ground. It's working.

We want to work with government toward environmental health. We think that the greenbelt recovery act is a wonderful opportunity. The MNR's sustaining green spaces in southern Ontario is another tremendous opportunity. We want to participate with government to make these two initiatives work, and all the other environmental initiatives that the Ministry of the Environment has.

Watershed protection is absolutely key. Walkerton and all the rest of that stuff points to making sure that the headwaters of these areas are properly protected. Tree-planting does preserve the quality of the water and it provides all sorts of other benefits as well.

The Chair: You have about a minute left in your presentation.

Mr. Cary: Thank you.

So we hope you will join with us and aid the support you give to the Ministry of Natural Resources for this exercise. Thanks very much.

The Chair: Thank you. Now we'll move to our questioning. In this rotation it goes to the NDP.

Mr. Cary: Hi, Shelley.

Ms. Martel: Nice to see you, John. It's been a long time.

Tell me, what's the MNR support for this initiative right now?

Mr. Cary: At the moment, we don't have any monetary support from them. We have a seconded that's fully paid, so we're very grateful for that. Tim Gray is here for a year and is doing wonderful work because of his contacts in spreading the word and talking to landowners. So we've got support in principle but no money from MNR at the moment.

Ms. Martel: Have you made a formal application to MNR for money?

Mr. Cary: We haven't; no.

Ms. Martel: What's your budget?

Mr. Cary: Trees Ontario is at the moment holding money from the federal government, because that's its only source. Carla, what was the total budget that we had, \$1.2 million?

Ms. Grant: It's \$2 million over two years.

Mr. Cary: It's \$2 million over two years, so it's \$1 million a year at the moment. We've talked to MNR about all this; I've talked to Gail Beggs, the deputy, and the minister. They've said, "We'd like to work with you." Money is the problem, of course.

Ms. Martel: Well, it's a ministry that has seen successive, significant cuts, frankly, both under the Tories and under the Liberals—both governments.

Mr. Cary: Yes.

Ms. Martel: What are you going to do, then? You have a contract right now, with some money coming in from the feds and, what did you say, 1,100 hectares underway?

Mr. Cary: Yes.

Ms. Martel: But in order for this initiative to grow, if you don't get some MNR support or another federal contract, you're going to be out there to the private sector and so is everybody else at the same time.

Mr. Cary: That's exactly correct, Shelley. The trustees are meeting up in Kemptville bay in a couple of weeks' time, and that's our task: to discuss our futures. We're determined to go out to private industry, to government, whoever, and get them to give us money in order that we continue this initiative and boost our present levels of two million or three million trees a year in southern Ontario. We've located areas, so we know that there are at least 10 million acres available and ready for tree-planting, so there's lots of opportunity. It's not because of a lack of opportunity; it's the lack of money and infrastructure that's holding us up at the moment.

Ms. Martel: And those 10 million acres are all related to private woodlots?

Mr. Cary: Yes, it's private land.

Ms. Martel: How do you develop your partnerships with the private landowners, the private woodlot owners?

Mr. Cary: We deal with the conservation authorities and the Ontario stewardship folks, who deal with the landowners on a day-to-day basis. They're our key contacts. That's the best way to do it, because these folks know the landowners, can get them on board and persuade them to join us.

Ms. Martel: If you could get some money from the Ministry of Natural Resources, how much would you like?

Mr. Cary: How much would we like? We probably couldn't swallow in a sensible way an annual—we would like to ramp up to \$5 million each year from government sources. We know it would be a push over the first year to swallow \$5 million, because we don't have the infrastructure. But certainly next year we would hope, and I know, that we could spend in a very useful way between \$2 million and \$3 million.

Ms. Martel: You'd be doing two things: not just planting trees but providing good water and safer air. Frankly, it'll be encouraging employment amongst those private nurseries.

Mr. Cary: Yes, exactly. We'll be expanding the nursery capacity, so there'll be more socio-economic spinoffs there. Of course, it takes people to plant trees, so instead of a few hundred tree planters, we'll be into thousands of tree planters.

Ms. Martel: I did that one year when I was 17. It was interesting work.

Tell me, how many private nurseries are you dealing with right now?

Mr. Cary: I'm guessing, but I think about six or seven.

Ms. Martel: Where are they located?

Mr. Cary: There are some up near Angus. There are some over in the east. Cory Lake Nursery is an aboriginal nursery that we're dealing with at the moment, and they're being very good. Any of these nurseries that want to join us in this exercise—nurseries, of course, require some certainty. They're not going to plant beds of trees without some market for them. Again, you have to develop the demand and develop the supply at the same time.

The Chair: Thank you for your presentation.

Mr. Colle: On a point of order, Mr. Chair: Just for my information and the committee's information, I would like research to find out what the potential dollar value is if the commitment continues to give property tax relief to the 10,000 landowners in Ontario who would benefit from the managed forest tax incentive program. I'll put that in writing later. Essentially, I want to find out the potential dollar value of those tax exemptions and changes that are being contemplated and exist for the managed forest program in Ontario.

The Chair: It would be helpful if you put that in writing.

Mr. Colle: OK.

The Chair: Thank you for your presentation.

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ADVOCACY CENTRE FOR TENANTS ONTARIO

The Chair: I would ask the Advocacy Centre for Tenants Ontario to please come forward. Good morning.

Ms. Kathy Laird: Good morning.

The Chair: You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Ms. Laird: Thank you very much. I'm Kathy Laird. I'm the legal director of the Advocacy Centre for Tenants Ontario. With me here today is Jennifer Ramsay, who is our outreach coordinator.

I want to highlight for the committee members this morning the ongoing and critical need for an expanded affordable housing supply and also the parallel needs of tenant protection, rent regulation and income support. None of this will be new to you. I think you had some presentations dealing with some of this yesterday. I wanted to remind you that the University of Toronto's Centre for Urban and Community Studies has said that we need 18,000 new rental units annually over the next 20 years. That's a big amount.

I guess you're getting copies of my presentation now. I'll try not to read it now that you have it.

Of course, affordable housing isn't just a question of human rights; it's also an economic consideration. I'm not sure if Don Drummond dealt with that in his remarks yesterday, but the chief economist at the TD Bank has made that point in their report, *Affordable Housing in Canada: In Search of a New Paradigm*. We need affordable housing. Otherwise, the inadequate supply is a roadblock to investment, growth, immigration and all those things that make the economy healthy.

I've given you some of the stats. I think you will know some of these, but I want to emphasize a couple of them for you. I always find it shocking to remind myself that 20% of Ontario renter households pay more than 50% of their income in rent. If you think about what 50% of your income looks like and what it would mean to you if it went for your housing payments, that's significant. Of course, renter households make up 44% of this province. So we're talking about a large number of people who are paying an extraordinary amount of their total income for their housing costs. It's no surprise that that puts them at risk of homelessness.

You know the waiting list for social housing is 158,000-plus households. In Toronto, it's 65,000. I want to tell you a little bit about the loss of affordable units in this city. It used to be that 90% of one-bedroom apartments rented for \$800 and less. That was as recently as 1996. It's now 25%, so we have experienced a huge loss of those affordable units, and those are the units we need for our seniors, single parents and people with disabilities. You may not be aware that, although the overwhelming portion of families on social assistance, 96%, are renter households, only 17% of welfare recipients are actually in social housing. So the rest of those people are in the private market, looking for affordable units. Even with today's vacancy rates, we haven't seen rents drop. On the contrary, rents have continued to go up in every CMA in this province except Windsor. CMHC has just released their stats on that. Toronto has the highest two-bedroom rent in the country. It doesn't

matter if we have vacant apartments if those vacant apartments are not affordable to the people who need them.

I've included in here the promises that the government made running up to the election. They were good promises, and we're here to remind them of those promises and hope that we can move forward: affordable housing for 20,000 families; 6,600 units of supportive housing. I've included the \$100 million for housing allowances and the \$10-million provincial rent promise. I think Ontarians took very seriously the government's "vote for change" campaign, and Ontarians will be disappointed if progress isn't made on these promises.

I want to applaud you for the steps the government has taken so far, and that includes the rent bank, the low-income energy fund—which is very important to us, as we can see that energy costs are going to be a big factor in housing costs—and the rent supplement program. The government made an announcement last week about supportive housing. I understand that will translate into 395 new units in this city, which is about \$6.5 million in this city. That's excellent. They were grants to community organizations, supportive housing providers. We need this money on a sustained basis; we need it year after year, and we need flexible programs. That program is tied to the justice system and to a definition of mental illness, but there are people who won't fit within that program, so we need to be able to expand it and build on it.

I've also touched on the shelter allowance issue. I can't be here and not raise that. I want to remind you of those figures. You know, of course, about the Tory cuts to social assistance. The shelter allowance is at \$554 for a mother with two kids. It will be going up to \$570. The average rent for a two-bedroom apartment in Toronto is \$1,052, up again this year. The dollar gap between what a mother on social assistance gets to pay rent and what she would have to pay if she rented the average apartment is \$481. It's important to note that it used to pretty well be a match. Before the cuts in 1994, the shelter allowance for that same family would have been \$707, and the average rent was \$784. So we have a huge and expanding gap, and that is the subject of human rights complaints that we filed with the Ontario commission. We would like to settle those complaints, and we would like to settle them by a government announcement that we are returning to 1994 equivalent rates for the shelter allowance. That's a promise that we hope the government can make and keep.

I've highlighted in here mobile home parks because that's a big source of affordable housing in rural areas, especially in the north. The issue here is safe water and meeting the recommendations of the Walkerton inquiry. There's a need for programs to reduce the cost of providing safe drinking water. Otherwise, we're going to lose that housing, and there is often nothing else in the communities.

I've included in here some promises that won't cost money, because I don't want you to think that everything

we want costs money. There are some things the government can do which will save affordable housing units, and I've listed them here:

—Reintroduce rent regulation on vacant apartments. Let's not lose any more of those affordable units while we're waiting for the new programs and federal money to come on stream.

—Give municipalities the control over demolition and conversion of housing.

—Allow secondary suites. I know this is under consideration. Bring in legislation to allow secondary suites, because that creates affordable units in all communities, integrated throughout the community.

—There's also the municipal planning review under-way. We hope that you will make a very strong statement in the provincial policy statement, because this is key. When the OMB tries to decide what to do about ratepayer opposition to affordable housing projects, they look to that provincial policy statement. We see situations now where non-profit, community-based housing providers are spending millions in legal costs to fight ratepayer opposition. This is money that should be going to housing units but is going to downtown law firms. We've been part of those actions. It's really a shame. They often win in the end, but you can cut those legal proceedings short if you do the right provincial policy statement. I know you've gotten submissions on that already, and certainly our organization has submitted one.

The cost of not doing something about affordable housing has tragic dimensions. You know that there are families in the motel strips. I've given you some of the figures on evictions. There have been 377,000 eviction applications in Ontario since the Tenant Protection Act came in. The city of Toronto has done a lot of work on those figures to see what's behind them. The median rent is under \$1,000. Families are being evicted for one month's rent and less. They've looked at the families that are evicted and found that it's usually a short-term financial crisis. Yes, the rent bank will help here but we also need those affordable units to be created. We need a permanent solution. The hardship that happens and the family dislocation are real social costs that are being picked up elsewhere in your budget, and affordable housing could short-circuit that.

We looked at the submissions of the alternative budget group. We support those submissions on increasing the tax revenue, including restoring the corporate tax rates.

I'll leave this with you, and I'd be happy to answer any questions.

The Chair: The questioning in this round will to go the government.

Mr. Colle: Thank you for a very informative presentation, and also, I might say, a very appreciative style of presentation too, because sometimes we get yelled at, which is part of what we get the big bucks for. On the other hand, I think your approach is very productive and I want to commend you on that.

The one thing I'll say is that we had Michael Shapcott here yesterday, who made a presentation. We were talking afterwards and he indicated that there is an imminent announcement with Minister Caplan on some of the capital funding for some of the initiatives. Hopefully, that'll begin to address some of the structural shortcomings we have in affordable housing in Ontario. I'm not sure how imminent it is, but he indicated that there is something. He knows more than I do on this front. That's what we've been waiting for.

Ms. Laird: That's always our experience too, that Michael Shapcott knows more than we do. Hopefully, the announcement will be coming.

Mr. Colle: An interesting thing you mentioned was on the secondary units, the nanny suites. I remember when the city of Toronto introduced that and it was brought into non-conforming use here in Toronto. I find that, despite the fact that it is legal in Toronto, it still hasn't had any impact. I thought it would have greater impact on reducing that waiting list of 65,000 that exists for affordable housing or subsidized housing in Ontario. Do you have any reasons for that? Has there not been enough of an uptake?

Ms. Laird: I think there has been some resistance to intensification in the older neighbourhoods. With the new Toronto official plan, hopefully the public is learning that intensification is the way to go. I do think that a provincial policy statement could partly be useful in that respect. You have neighbourhood groups that are not welcoming of that kind of development. I think we're probably on the cusp of significant change there, and if we have permissive legislation, it can only help. I think we are going to see a change and you will see those units coming on stream, but perhaps not as quickly as we all thought would happen.

Mr. Colle: So you're saying that a provincial policy statement reinforcing the bylaw initiative the city of Toronto took, for instance, would help that.

Ms. Laird: You need to put something in there that says we need housing, ownership and rental for all income groups, and specifically we need to meet the needs for emergency, supportive, transitional and affordable housing. If the province says, "We support this," then all the planning decisions at the city level and in front of local boards, but also at the OMB level—because we do see shocking examples. I'm thinking of the seniors' housing down by the stadium, down on the Lakeshore that recently got turned down. The press reported that Paul Godfrey was involved in that. I can't remember all the details, but there was heavy ratepayer opposition. It was affordable seniors' housing, so you would think it would have gone through. A decision was made by the OMB and there was no substance in that decision.

It will be more difficult for NIMBY organizations to prevent those kinds of developments if you stake that out in a provincial policy statement. I really think we've had some resonance for that issue in the ministries and I'm hoping it'll be coming.

Mr. Colle: You remind me of a battle we had at Lawrence and Avenue Road, Roswell Court, where

there were excellent affordable housing units. It was essentially English-type townhousing. The proposal was to demolish them and replace them with supposedly high- and middle-end rental. That was the application before the city and, in fact, they went to the OMB and won. Ironically, now it's no longer rental; it is now condominium, and I'm sure the condominiums are in the range of \$500,000 to \$1.5 million each. So we had that affordable housing gone from a stock that's diminishing already.

Ms. Laird: Yes, there's so little affordable housing left, and we're losing rental units at an astounding rate. I didn't bring those figures, but the city of Toronto has them. In this city, we're just losing tens of thousands, and that's bound to eventually impact on the rents again.

Mr. Colle: Most of those for-rent signs that I see going up Avenue Road are basically unaffordable to the people we're trying to—

Ms. Laird: That's right. Rents are not dropping, and it is significant that landlords don't feel the need to drop the rents. They can hold them vacant, so they're not really suffering, I have to say.

Mr. Colle: Although they are renovating, to their credit.

Ms. Laird: They are renovating, absolutely. I grant you that.

The Chair: Thank you for your presentation this morning.

The committee is recessed until 1 o'clock this afternoon.

The committee recessed from 1205 to 1302.

ONTARIO PHYSIOTHERAPY ASSOCIATION

The Chair: The standing committee on finance and economic affairs will please come to order. The first presenter this afternoon is the Ontario Physiotherapy Association. I see you're ready. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes for questions following that. I would ask you to state your name for the purposes of Hansard. You may begin.

Ms. Christina Boyle: My name is Christina Boyle, president of the Ontario Physiotherapy Association. Thank you, Mr. Chairman. We appreciate the opportunity to appear before you today.

The Ontario Physiotherapy Association is the voluntary professional association for physiotherapists in Ontario. We represent approximately 4,500 physiotherapists who are registered to practise in this province as well as the physiotherapy students at the five Ontario universities that offer degree programs. Currently, there are about 7,500 physiotherapists practising in Ontario.

In theory, publicly funded physiotherapy is provided in a range of venues: in hospital in-patient and outpatient physiotherapy clinics; in patients' homes through the home care programs run by community care access centres; in long-term-care facilities; and, currently,

through community-based clinics, known as OHIP schedule 5.

Physiotherapy's one of the few professions that has a significant presence in every segment of health care delivery, yet over the past 10 to 15 years there has been a substantial erosion in access to publicly funded physiotherapy in all delivery streams. Let me quickly review the situation in each stream.

In hospitals, many hospital outpatient physiotherapy clinics have been closed or downsized. The funding has been transferred to other hospital operations, primarily to hiring and retaining physicians and nurses. Today in Toronto there isn't one single general-purpose outpatient physiotherapy clinic left. Outside of Toronto, waiting lists can be up to 10 months for treatment in the outpatient physiotherapy clinics that remain. The government's plan to substantially increase the number of hip and knee replacements can't possibly meet its targets in this environment.

In home care, CCACs are controlling their expenditures by imposing very rigid eligibility requirements for physiotherapy, restricting the number of treatments, usually to about three, limiting physiotherapists largely to consultative roles and cutting off access to treatment when demand exceeds supply.

The scientific evidence on the importance of physiotherapy for seniors, including residents of long-term-care facilities, is particularly strong, yet funding provided by the ministry through the program envelope is inadequate to provide routine, let alone chronic, care. Some long-term-care facilities supplement the ministry's per diem funding by obtaining physiotherapy treatments through the OHIP schedule 5. This alternative will disappear when the schedule 5 clinic is delisted on March 31. Even assuming that all the OHIP schedule 5 money is transferred to long-term-care facilities, those facilities that used to obtain physiotherapy through schedule 5 will experience a reduction in care because the schedule 5 funding will now be spread across all long-term-care facilities, not just the few.

Community-based physiotherapy is about to disappear. G-code clinics were delisted in April 2000. The money saved was supposed to be transferred to the delivery of physiotherapy in other venues, but it wasn't. When G-code 467 was delisted, schedule 5 clinics were the only community-based publicly funded physiotherapy clinics left. As of March 31 they will be gone too, leaving ambulatory seniors and other patients with no other publicly funded alternative but to go to the hospital outpatient physiotherapy clinic, assuming that one exists and patients are willing to brave the long waiting lists.

We understand why the government delisted OHIP schedule 5. The status quo was not and is not supportable. But we do not agree that ambulatory patients should be deprived of access to all publicly funded community-based physiotherapy.

To date, primary care reform has had a very limited application. It has encompassed only physicians and nurses. Attempts to launch multidisciplinary primary care models have thus far been rebuffed by the ministry.

Today in Ontario, access to publicly funded physiotherapy is at an all-time low and is worse in terms of per capita spending than in any other province in Canada. The erosion in access to publicly funded physiotherapy has occurred because of a confluence of events: On one hand, aging demographics and other factors have created unprecedented demand for physiotherapy; on the other hand, funding has been siphoned off, primarily for acute care in hospitals but also to satisfy the economic demands of physicians and nurses. This is the classic borrowing-from-Peter-to-pay-Paul syndrome.

This brings me to the central message I should like to convey today: Health care policy and funding decisions in Ontario and elsewhere in Canada continue to be driven largely by a health care delivery model that revolves around acute care hospitals, physicians and nurses. Today in Ontario we have a severe physician shortage, we have a nursing shortage, we have unacceptably long waiting lists for hospital admissions and we have patients staying too long in very expensive hospital beds because they can't get the physiotherapy they need at home or in the community.

What we should be working toward is a model of health care delivery that provides the most cost-effective care by the most cost-effective practitioners in the most cost-effective place. This model will be more efficient and accessible, encourage all health practitioners to practise to their full scope and allow patients to choose among alternate health care practitioners and venues of care. It will encourage healthy competition in health care delivery that will restrain costs and promote high-quality care. It will make better use of the competencies of the large number of allied health care practitioners that too often are underutilized.

The scientific evidence is clear. We would be happy to provide it to this committee. More effective utilization of physiotherapists and other health care practitioners providing care in non-institutional settings will reduce hospital waiting lists and pressures on hospital operating rooms by delaying or reducing the need for joint replacements and other surgical procedures relating to musculoskeletal problems; allow hospitals to discharge post-surgical patients faster from expensive hospital beds; allow seniors to live independently in the community for longer periods of time; reduce health care costs for vulnerable groups such as, for example, the number of amputations and related problems for diabetics; and, since physiotherapists and most other allied health professions are drugless health practitioners, reduce the reliance on expensive drug therapies.

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We are not asking the Ontario government to spend more on health care; we're urging the Ontario government to fund health care more strategically and more cost-effectively by transferring funding to non-institutional community-based care for better utilization of allied health care practitioners, including multidisciplinary primary care. That includes the rehabilitation professions, which can triage the care needed for musculoskeletal conditions.

This government has made meaningful steps toward this new model. In its last budget, the government provided record amounts of funding to community health agencies. Nevertheless, the same budget substantially reduced access to publicly funded physiotherapy for ambulatory patients, and the closure of hospital outpatient clinics continues unabated. We see hospitals continuing the tradition of running up deficits and governments covering them, and governments going back to the table when physicians demand a better economic deal.

In the 2005-06 budget, therefore, we ask the government to recommit itself to the new model of health care delivery by supporting multidisciplinary primary care delivery and funding models; holding the line on funding for acute care in hospitals and for nurses and doctors; providing additional funding to health care delivery by allied health professionals in home care, long-term care, hospital outpatient clinics and in other non-institutional settings; fulfilling its promise that OHIP schedule 5 funding will be fully transferred to the provision of physiotherapy assessments and treatment in long-term-care facilities and in home care; using its powers under Bill 8 to ensure that funding earmarked for physiotherapy is actually used for physiotherapy and doesn't get lost in the hospital's global budgets; and finally, putting in place accountability measures in every health care delivery stream to measure performance and help direct funding to the most cost-effective treatments by the most cost-effective practitioners in the most cost-effective venues.

Thank you very much.

The Chair: Thank you. This round of questioning will go to the official opposition.

Mr. Cameron Jackson (Burlington): Welcome, Christina. It's good to see you. I had a couple of questions. Obviously, the public is somewhat confused about distinguishing between schedule 5 physio, and then physio in a hospital setting, physio that you can pick out of a phone book and don't need a referral to get to and so on. You're stressing to this committee that the government look at additional funding to increase access. Where would your priority access points be?

Ms. Boyle: They would be in the community, so that there is more funding available for those in long-term care, CCACs, but also to look at funding through new visions of primary reform, looking at the new makeup of the family health teams, that it might include physiotherapy. The current thought seems to be more toward physicians and nurses, but not necessarily rehabilitation services. These would provide additional access points in the community.

Mr. Jackson: But I guess I'm sort of asking you to help us determine which patients in need you would set as a priority versus how you deliver the service. You're not implying in your presentation that the government would somehow now pay for the cost of that physio service.

Ms. Boyle: No.

Mr. Jackson: What's implicit is that instead of having to go to a location remote from the hospital or if it's a hospital in-service program, you'd still have to pay out of

your pocket for those physio services unless they're administered in a hospital. We understand that the distinction under the Canada Health Act is that if it's delivered in a hospital, whether it's drugs or whatever, it's paid for, but the minute you step out of the hospital, it's no longer covered. Could you help us? This has a lot of scope to it. Which of the patients in direct need in the province would you prioritize?

Ms. Boyle: We believe the patients in most need of assistance from government through public funding are seniors, those on social assistance, the working poor, those who do not have any kind of insurance coverage in any other fashion. Certainly, physiotherapy can be provided through other venues, as you know—through the Workers' Compensation Board, multi-vehicle accident etc.—but these are the vulnerable populations we wish to protect.

Mr. Jackson: So have you considered, for example, looking at a model—again, we're talking about access, meaning the ability of a patient to pay—similar to the way in which the drug program is delivered, with respect to those on social assistance having access to physio or those who are over the age of 60 or 65 having access to it? Has your organization looked at that or considered that model in terms of not having to pay to receive what most people in this room would agree is an essential health service?

Ms. Boyle: As an association, we have been promoting ideas around thinking of those models. We haven't looked at it specifically as an association at this time. We think it's definitely worth the government looking at it, though.

Mr. Jackson: Have you done any studies into the amount of resourcing at the CCAC level, or have you looked at whether there are large discrepancies between CCACs in terms of the way in which they deliver the amount of service provided for physio? Have you any data on that?

Ms. Boyle: Yes, we have been attempting to look at that. We've done some surveys. We have a network. Through the OPA we have a community care advisory committee, and we're using those resources to specifically ask those questions: What are the variances? What are the average numbers of visits? What are the problems in access? We are finding that the general response coming back is that it's very limited in terms of the number of visits they are being permitted to deliver—often as little as three—that they are, in fact, perhaps doing the assessment to determine what treatment may be needed but are not able to deliver that treatment by a physiotherapist because the funding is not there.

The Chair: Thank you for your presentation this afternoon.

COLLEGE OF PHYSICIANS AND SURGEONS OF ONTARIO

The Chair: I would ask the College of Physicians and Surgeons of Ontario to come forward, please. Good afternoon. You have 10 minutes for your presentation.

There may be up to five minutes for questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard.

Dr. Gerry Rowland: Thank you, Mr. Chairman. On behalf of the College of Physicians and Surgeons of Ontario, I wish to thank you for the opportunity to participate in the pre-budget consultations.

I am Gerry Rowland. I'm a general practitioner in Tillsonburg and the president of the college. Joining me today are Rocco Gerace, our college registrar, who has 25 years' experience practising emergency medicine in Ontario, and Louise Verity, the college's director of communications and government relations.

The college is the licensing and regulatory body for Ontario physicians. We are committed to ensuring the best possible care for the people of Ontario by the doctors of Ontario. We are here today to urge the government to take action to address physician resource issues in the 2005 budget.

It is well known among patients, physicians and policy-makers that Ontario faces a physician shortage of unprecedented proportions. While some important steps have been taken over the past several years, much greater action is required. The results from our 2004 survey of physicians show this necessity for more aggressive action.

In our presentation today we will explain why physician resource issues must be a government priority in its 2005 budget, as well as make specific recommendations for the 2005 budget and beyond.

As the body responsible for registering physicians to practise medicine in Ontario, the college has worked collaboratively with other stakeholders to provide greater opportunities for physicians to qualify to practise in Ontario for several years. All this work has been undertaken from the premise of ensuring that we maintain our existing standard of physician competence in delivering high-quality health care to the people of Ontario.

Over the last few years, government, the college and other stakeholders have taken a great deal of concrete action. Some of these recent successes include:

- the consolidation of all training and assessment programs for international medical graduates, which I will refer to as IMGs from here on, through IMG Ontario;

- the development of a comprehensive assessment program for IMGs. This year, for example, more IMGs wrote Ontario's initial assessment screening exam than ever before. Last year, 515 candidates participated, while only 412 participated in 2003, representing a 25% increase;

- the development by the college of a shadowing policy to encourage IMGs is also a success. It allows them to engage in observation of patient care in a clinical setting in Ontario.

The college has also taken significant action to eliminate barriers to practice, including the development of a college policy on restricted registration for residents in training. In addition, the college has established and

continues to facilitate the physician resources task force, a multi-stakeholder group dedicated to reducing barriers to the recruitment, registration, education and training of physicians in Ontario.

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As a result of these and other actions, 2004 is the first year that the college has granted more certificates of registration to IMGs than to Ontario medical school graduates. The total number of licences issued in 2004 was 1,069, 41% representing IMGs and 38% representing Ontario graduates. In addition, the total number of certificates issued in 2004 was the highest annual total in 20 years.

While these advances are important, it has become increasingly obvious that much greater action and attention by government and other health stakeholders is required. Our 2004 survey shows that the profession is aging, working fewer hours and is less likely to accept new patients. The average age of physicians practising in Ontario is now 51 years, up from 49 in 2000.

As one would expect, as one moves toward retirement, the worker decreases the number of hours worked. But this is not the case in medicine. Instead, our survey shows that older physicians spend more hours at their primary practice. As a consequence, when physicians retire, we will lose a disproportionate amount of practice hours as worked by this age group.

Further, the number of general practitioners and physicians accepting new patients has dropped from 39% in 2000 to only 16.5% in 2004. It is also very clear that physicians in younger age groups are spending considerably less time in direct patient care than did their predecessors.

These results demonstrate that the ability of Ontario patients to access physician care will decrease unless immediate and concentrated action is taken. This is why we believe that patient access to medical care must be central to the government's 2005 budget. We have six key recommendations:

(1) We urge the government to provide the necessary financial support to ensure that every IMG can be fairly assessed and, if eligible, provided with training.

(2) We urge the government to increase the post-graduate training capacity within Ontario.

(3) We urge the government to allow Canadian residents studying at international medical schools to apply for residency positions in their final year of medical school.

(4) We urge you to increase domestic capacity further by significantly increasing enrolment at Ontario medical schools.

(5) We urge you to create a health human resources planning body.

(6) We urge you to consider potential collaborative care models.

I will enlarge on those briefly. In assessing and providing training for qualified IMGs, we have long urged the government to provide the necessary financial support to ensure that every IMG can be assessed and, for

those who qualify, provided with continued training. Recently, in an assessment exam coordinated through IMG-Ontario, 515 IMGs, or 25% more than in the previous year, participated. This is a significant step forward, but the challenge now is to ensure that all qualified IMGs have the opportunity to receive the training required to achieve licensure.

In increasing post-graduate training capacity, our second recommendation, the government should also provide for the funding and work with the Council of Ontario Faculties of Medicine to increase the post-graduate training capacity in Ontario medical schools of 1.2 times the number of students graduating. This must be done in addition to spaces for additional Ontario IMGs.

We must tap the valuable resources of Canadians attending medical schools outside of Canada. Presently, a physician must graduate from medical school before being able to apply for a residency position. Studies have shown that these physicians have a tendency to remain to practise in the areas in which they had their residency training. Allowing them to apply in medical school for Canadian residency positions would encourage them to return to Canada when they are eligible to practise.

Steps must also be taken to increase our domestic capacity. While the new northern Ontario medical school is a step in this direction, we believe that further action should be taken.

Create a health human resources planning body, as we have advocated. Human resource planning in Ontario is almost nonexistent in the field of health care. In fact, a decade ago, Ontario responded to erroneous projections with respect to the province's need for physicians and cut enrolment in medical schools. This has resulted in the doctor shortage we experience today. We feel that such a body would have many long-term benefits and would have the increasing benefit of strategic forecasting of physician human resource needs so that government, universities and health care profession licensing bodies will all be in a significantly better position to ensure that we have the facilities and resources to educate, assess and register health care professionals in order to address our needs.

Finally, collaborative health care models: While the focus of this presentation has been on physician resources, we recognize that a major part of the solution is to better utilize and constantly re-evaluate the role of each of the various members of the health care team. Our system is changing, and the degree that delivery of care no longer takes place through exclusive individuals is undeniable. The college is prepared to seize the opportunity to re-evaluate and change its regulatory framework to ensure that regulation methods of the past are not standing in the way of new and better modes of health care delivery. The health human resources planning body should take on the project of developing and considering a variety of potential collaborative care models and making recommendations as to their use.

In summary, we believe it is imperative that concrete action to improve patient access to physicians be a major

focus of Ontario's 2005 budget. We have put forward what we believe to be workable solutions for this year and beyond, and we look forward to continuing to work with the government, the public and other health care stakeholders to ensure the best quality care for the people of Ontario by the doctors of Ontario.

I would be pleased to answer your questions.

The Chair: Thank you. The questioning will go to the NDP.

Ms. Martel: Thank you for being here today. I'm going to start on page 5, where you talk about Ontario responding to erroneous projections. You mean the whole country did, because in fact it was the federal, provincial and territorial Ministers of Health who responded, and any jurisdiction that had a medical school took a cut. That cut here in Ontario was at the U. of T. So everybody made a mistake. It would be a very good idea to have a planning body that had some accurate information, because what we responded to, along with everybody else, was very bad information about physician resources for the future.

A number of us have received a letter from a young woman who is actually studying at medical school in Ireland. This goes back, I'm hoping, to your point 3, about Canadians attending medical schools outside of Canada. Her concern was that as an Irish graduate she was not allowed to enter into the second round of the CaRMS match. She felt that, given the training that they are receiving in Ireland, they should be able to do that. They shouldn't have to wait a further two years, following graduation, in order to get a post-graduate training position. Does your number 3 respond to her concern?

Dr. Rowland: Briefly, yes, indeed it does. That is exactly our intent. I'll let Dr. Gerace enlarge on that.

Dr. Rocco Gerace: Absolutely. We feel very strongly that, much like Canadians who go to Canadian medical schools, Canadians who go to medical schools abroad should have the opportunity to apply and be accepted into residency positions through the IMG program; so that there would be an assessment, but that slots be made available for these individuals to come back to Ontario and do their training here, recognizing that doctors tend to stay in the jurisdiction in which they do their post-graduate training.

Ms. Martel: But we currently have a ranking. We would accept British medical students, for example, or American medical students more readily than we would those from other jurisdictions, would we not? There is a ranking right now that would allow you easier access into the IMG program. Am I correct in that?

Dr. Gerace: The number of post-graduate training positions are equivalent to the number of graduates from medical schools in Ontario. Currently, those eligible to apply are graduates of North American—primarily Canada and US—medical schools. No students who are going to school outside of North America are eligible to apply during their final year of medical school at this point in time.

Ms. Martel: The second issue that was raised had to do with, even though we have spots open—and maybe

you can tell me if it is true that last year, a number of spots in family medicine were not filled. The information I was provided was that last year alone there were 21 positions unfilled after the second round of CaRMS in family medicine. We need more physicians, but we're not even maximizing our available training positions. Would that be a correct statement? Who's making the decisions, then, about leaving positions unfilled in CaRMS two?

Dr. Gerace: That's correct. The positions were not filled because there were not enough eligible candidates at the time of the match. The suggestion is that by allowing internationally trained individuals early access to the match and, even before the match, access to an assessment, we think that will allow these slots to be filled to capacity.

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We also think we should be recruiting residents from North America. Again, understanding that individuals will stay in the jurisdiction in which they're trained by increasing globally the number of postgraduate positions, we're hoping that even Canadian medical students will be able to access these increased positions. Currently, with the number of postgraduate positions equal to the number of graduates, we anticipate that there are a number of people who would like to come to Ontario but who, because of the first round of the match, get matched elsewhere and so then are lost from the pool.

Ms. Martel: Right, and that means they don't come back after that. They stay where they are.

The Chair: Thank you for your submission this afternoon.

ONTARIO CHIROPRACTIC ASSOCIATION

The Chair: Would the Ontario Chiropractic Association please come forward. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard. You may begin.

Dr. Dean Wright: Good afternoon. My name is Dr. Dean Wright. I serve as the president of the Ontario Chiropractic Association. Beside me is Dr. Bob Haig. He serves as director of government and professional affairs. I'll be brief in my dissertation so we allow time for questions.

We realize the budget development process is a very challenging process, as the government realized last year. A big part of this budget development process is health care costs. They are a huge part of that. Our recommendations will be directed toward the health care budget. We ask that you seriously consider the recommendations we put forward. A great deal of time, energy and analysis has been placed upon these recommendations.

Last year the government announced in its May budget, and then enacted, the delisting of chiropractic services, or to stop funding for chiropractic services. This

was a hasty and poor fiscal decision, without consultation or analysis with the appropriate parties. It was unwise in that, instead of saving money to allow for other health care provisions such as cancer and reduced waiting times, this process did not allow this to occur. As a result, patients who would normally see a chiropractor for effective and useful care have been forced to attend scarce family physicians or overburdened emergency rooms to receive care, where they should not be. They're non-emergency patients in an inappropriate setting.

Some of the experts have spoken strongly about this. The national health service consulting group of Deloitte, a very well respected health service system expert, states clearly that by delisting chiropractic services you will increase visits to physicians by 1.3% to 2.6%; emergency room visits will increase by 7% to 14%. While the government has spoken to saving \$100 million a year, Deloitte clearly states that they will not save money; they will spend anywhere from \$12 million to \$125 million more per year.

Furthermore, a Pollara poll in June 2004 stated that 79% of the public felt that by delisting chiropractic services you would force patients to attend physicians in emergency rooms for these services.

As we sit here right now, patients who would normally receive effective chiropractic care at a cost to the government of \$9.65 per visit are sitting in emergency waiting rooms, costing the government in excess of \$150 for that visit and causing a further jamming of the system. These people aren't meant to be there. They're not helping the hospitals.

The government recently offered some funding to hospitals to help bail them out of a financial issue. How does delisting chiropractic services, which places a further burden on the hospitals, help this process? These people are non-emergency patients and they're bottling up the emergency room situation.

Further evidence came out last year. In America there was a study done and reported in the Archives of Internal Medicine, which is an American Medical Association journal. The study analyzed 1.7 million people: 700,000 of them had access to chiropractic services under managed care; 1 million did not have access. In the study they found that the overall health care costs for the individuals who had chiropractic services were reduced by 1.6%. If you were to extrapolate that into the Ontario health care budget of \$31 billion, that would be a saving of \$500 million. Imagine what you could do for wait times or cancer care with that kind of saving.

Something else happened with delisting. When you delisted chiropractic services, this also affected physician service. When chiropractors referred to a public hospital for X-rays, it was covered under a radiologist through the hospital. With the delisting of chiropractic services, this is no longer available. This is catastrophic for some patients and for their health care. As a result, a chiropractor must now refer back to a family physician, which increases the cost to the Ontario government and increases the wait time for the patient to have access to the

X-ray. While many chiropractors have X-rays in their office, a number do not. Anywhere from 30% to 40% of patients referred by chiropractors for X-rays are referred to the public hospital setting. While only 15% of patients require X-rays, those X-rays are crucial for a proper diagnosis and, most importantly, for the safety of the patient.

We are dramatically affecting the health care of the people of Ontario. One case that comes forward: A chiropractor referred for an X-ray to a family physician. It was denied, and therefore there was a delay in the diagnosis of a spinal tumour. I dare say, none of us around the table would want that to happen to our health care.

Nine dollars and sixty-five cents may be a reasonable amount for some people to afford, but the cost of an X-ray can be \$50, \$60, \$70. Many are unable or unwilling to pay that kind of fee to have access to X-rays. The bottom line is that by doing this you're dramatically affecting health care for the people of Ontario and increasing the cost for the government.

Over the last 10 days, you've heard a number of patients reporting how delisting chiropractic services has adversely affected their health care. It's not just affecting the individual's health care; it's affecting the health care system of Ontario, a system where we try to work on collaboration, integration and primary care reform. This process is separating health care providers, not bringing them closer together. It's creating a burden for the people of Ontario in their health care, it's creating a financial burden for Ontario and it's adversely affecting the health care system.

Given the abundant evidence—and there is a quite a bit—the government needs to look at the delisting of chiropractic services and work toward a solution which integrates chiropractic services into the public health care system.

The Ontario Chiropractic Association has always been, and will continue to be, willing to work on solutions that improve the health care system of Ontario, both financially and in terms of effectiveness. The process that has gone on has not worked for the benefit of anybody. I'll say it again: It has not been a benefit for the people of Ontario, it has not been a benefit for the health care system, and it's not a benefit financially. There is no evidence to prove that what the government has done is an effective measure. There is a great amount of evidence on the other side saying this is not a wise decision, so why has it been done?

I'll leave some time for questions now.

The Chair: Thank you. The questioning in this round will go to the government.

Mr. Wilkinson: Thank you for coming in. Indeed, there have been many chiropractors and patients who have come to see us last week and this week. I just have a couple of questions.

I've never been able to get a satisfactory answer—I've been looking at the Manga report and the other things, Deloitte and then the new study, I think from California. There was at least a partial delisting in British Columbia.

Following your logic, emergency rooms in British Columbia should be backing up. They should be backing up here in Ontario as a result of the decision. Where is the evidence that that is happening?

Dr. Wright: I don't believe an effective analysis was done in BC. Let's be very clear: In the end, the minimum that should have been done was to take care of those people who are financially challenged. In Ontario, no provision whatsoever was made for that. There was no provision for those who were poor, who were financially challenged. In BC, they made that provision. They allowed for individuals who are making less than \$24,000 a year to have access to 10 treatments. Those are the people who will be affecting the emergency rooms. It's not the middle-income earners or the high-income earners; it's the poor. As a result, BC is not a good example to look at, because they still allow that provision.

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Mr. Wilkinson: Would it be your contention, then, that the government should be looking just at the question of economic fairness, at those people to whom the \$9.65 is the greatest burden? I have plenty of friends who are chiropractors. We've asked this question, and all parties have: Has your practice gone down as a result? We've actually had some chiropractors who said that their practice has gone up.

Just the other day, I received at my apartment here in Toronto at the Manulife Centre a little piece of paper from the Yorkville Chiropractic Centre telling me, "Now that OHIP has shifted to patients, extended health care coverage begins from day one!! Call today." So we've got to focus in on the people who need the help.

Dr. Wright: Let's be clear: Yorkville Chiropractic Centre, not financially challenged. Period.

Mr. Wilkinson: I know very few chiropractors who are financially challenged.

Dr. Wright: The issue that concerns us here is that there are people who are trying to access chiropractic care who will now be challenged. You may not hear about them right now, the ones who haven't got appropriate care and who will trot into the ER several months down the road. There's also a bit of naïveté in taking a look at the EHC process there. It's not a simple process, and it doesn't work that easily for everybody. Some people have extended health care insurance. In fact, the number who have appropriate access to chiropractic services the first day is not as high as we're being made to believe in that statement right there.

Bob, you wanted to add to that?

Dr. Bob Haig: I wanted to say two things, if I could. First of all, you're right: Chiropractors' practices may not go down. But the patient demographic will shift, and the poor people won't be able to get there. The working poor and the unemployed are not going to be able to get there. Those are the ones who are going to add the increased burden to Ontario's health care system.

You talked about the fairness issue. We're not talking about the fairness issue. Quite frankly, we're talking about exactly the same thing the physiotherapists were

talking about half an hour ago; that is, finding a way to make sure you're measuring performance and making sure you're getting the best bang for your health care buck, because now you're not, and we know you're not. It's important to make that point.

Mr. Wilkinson: I appreciate that. Logically, then, you're probably moving to a position where you're going to ask the government to look at having some kind of means test to help those people where the \$9.65 a visit times 15 is a burden. I'm assuming that your position will kind of evolve toward that point in just a question of justice.

The other question, of course, is that chiropractors are not—we have a publicly funded health system, and you're private operators. I've haven't had any chiropractors say to me, "Listen, we want to go under the OHIP system. We want to be part of the publicly funded system. We'll stop being private business people, like doctors, and go into a system where we just get paid by the government."

Dr. Wright: We have been working for a number of years on an integrated health care project. We have one chiropractor who has been seconded to the Ministry of Health to work in terms of looking at having a chiropractor covered under a salaried service as opposed to a fee for service. We're very interested in that and in seeing what kind of impact that has on health care delivery. We've worked toward that.

To address your point about provision for the financially challenged, we talked to the government a number of times. They made some changes, in terms of optometry, to allow access for certain health care issues to people who are financially challenged. We've been very open and willing to dialogue on all these issues. We're not against that process, and we'd be very interested in seeing what the research garners from that. That's why we've spent a tremendous amount of time and money toward that integration project.

The Chair: Thank you for your presentation this afternoon.

Mr. Jackson: On a point of order, Mr. Chairman: Following the testimony from the Ontario Chiropractic Association, I move that the Ontario government review the 2004 budget decision to delist chiropractic services from OHIP and determine how best to incorporate chiropractic into the health care system to help meet its health care goals, including reduced system costs and improved collaborative, and coordination of, primary care.

The Chair: Thank you. If you provide that in writing, it will come up again at report writing time.

ONTARIO CAMPAIGN 2000

The Chair: I would ask Ontario Campaign 2000 to come forward, please.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for Hansard.

Mr. Colin Hughes: Certainly. My name is Colin Hughes. I'm with the Children's Aid Society of Toronto. I'm here on behalf of Campaign 2000, which is a pan-Canadian coalition seeking implementation of the 1989 House of Commons' resolution to end child poverty. I'm here, of course, to speak about child poverty in Ontario.

We released our annual child poverty report card this past November. It shows that Ontario has a persistent and big child poverty problem. There are 373,000 children living in poverty in this province, and that's a 35% increase since 1989. The rates of child poverty are also particularly high among vulnerable populations such as lone-parent mothers, children with disabilities and newcomer families. Between a quarter and a half of these groups can be living in poverty. Typically, these families live on incomes quite far below existing poverty lines, about \$9,000 plus. We're also finding that there has been a lot of economic growth and, with that, employment, but that employment alone is not necessarily a ticket out of poverty.

We are making a number of recommendations to tackle child poverty in this province. We're pleased to see that there have been some initial steps in the previous budget to address this problem in the areas of minimum wages, the small increase to social assistance and so on. Those are positive signs. We would draw your attention to—this is in more detail in the attached brief—good jobs as benchmarks, child income benefits, early learning and child care, affordable housing and a renewed social safety net. These are five key areas where social investments need to occur for us to move forward on the issue of child poverty.

There are more detailed recommendations in the brief, but I want to highlight four key and specific policies that we'd like to see addressed in the 2005 budget. The first one, and this is absolutely key, is to make the federal child benefit supplement work. The national child benefit supplement was intended to address child poverty, and it can't do its job because it is clawed back from families who are on social assistance. So a large portion of this province's poor children are not benefiting from the national child benefit because it's simply taken away from them.

Let's look at how much that is. That comes to about \$122 per child per month. That \$122 will buy, for a single parent with a child, about half a month of groceries. That's a lot of money. It may not sound very significant to many people, but for low-income families that's a huge bite out of their budget. You have a Liberal government commitment to end the clawback. We think you should do it now, and this budget is the time to do it in. So we really urge you to move forward on that.

The other area is to increase the target for the minimum wage. We're pleased that the target of \$8 an hour is being pursued; it was frozen for far too long. We do think that an adult who is working full-time, full-year in this province should not be poor, and to raise more people from poverty you need to increase the target to \$10 an hour.

The other area is to increase social assistance benefits to meet recipients' shelter costs and basic needs, and to index those benefits to the annual rate of inflation. Again, we were pleased to see the 3% increase to benefits made in the last budget, but we need to make continued improvements. The rate cuts of 21.6%, plus 11 years of inflation since those rate cuts, have really taken their toll, so we have to work on achieving benefit adequacy. It's also interesting to note that the report by MPP Deb Matthews highlighted that low social assistance benefit rates are an actual barrier to employment, because people are struggling to survive. When you're dealing with just surviving, it's hard to make the necessary transitions to employment or take other steps that one needs to take to move forward to greater independence. So we see benefit adequacy as being absolutely critical to supporting these kinds of transitions to independence. This was also highlighted in Transitions, the 1989 SARC report, the Social Assistance Review Committee report. Adequacy is absolutely key.

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Finally, the other key area is child care funding. There is a \$300-million commitment by this government to child care, plus there is substantial funding coming from the federal level in child care. We haven't heard a statement that this money will be going into non-profit care, and we think it is absolutely key that the funds flow into non-profit care, where quality is most likely to be.

I'd like to quote the Honourable John Sweeney, who, as you know, was minister back in 1987 when the Liberal document *New Directions for Child Care* came out from the Ministry of Community and Social Services. The Liberal government at that time said, "The government is determined that future child care growth will be in the non-profit sector. Expansion of this sector is consistent with the move to recognizing child care as a basic public service." So we would really urge that in this budget there be a clear statement made that new funding for child care expansion will be in the not-for-profit sector.

Those are the four key points that we wanted to make. I would open it up to questions. Thanks very much for hearing us.

The Chair: Thank you. The questioning in this round will go to the official opposition.

Mr. Jackson: First of all, Colin, thank you for being here today. I'm glad you advised us you're with the CAS, because we know they're running a bit of a deficit this year, a carry-over from last year.

You must see a significant number of children at risk who are also marginalized in the context in which you've presented to us today.

Mr. Hughes: That's correct.

Mr. Jackson: A disproportionate number?

Mr. Hughes: Indeed. Most families we see are poor.

Mr. Jackson: Although it didn't make the list of your top four, your real list is much larger, which you've provided us in your brief. That does include supports such as adequate funding for CASs to cover the increase in child protection issues.

Mr. Hughes: Yes, if I could comment on that very quickly, I do work in the prevention end. Child poverty does push more families into the child welfare system, and it's a risk factor for just about anything you wouldn't want for your own child. In fact, it is seen as one of the key determinants of health. I notice that there are people here from the health care area. As with other areas, child poverty is just one of those key fundamentals that has to be addressed or you're going to put strain on all other parts of the system. It's really not necessary in an affluent society such as ours.

I'd also note that it's so critical, as part of addressing child poverty, to be rebuilding our social safety net. Community supports are also significant, and more structural ones around income security, and that includes minimum wages and social assistance.

Mr. Jackson: Mr. Chairman, do we have the actual costs that would be associated with the Liberals honouring their campaign commitment of eliminating the claw-back on the national child benefit supplement? Do we have a number?

The Chair: That could be a question to research if you want that.

Mr. Jackson: If research could get back—do you know the number?

Mr. Hughes: Yes.

Mr. Jackson: Why didn't I go to Colin?

Mr. Hughes: I think it would be useful for finance—and finance should take the lead to look at how it can end it, because the money that is taken from these children is used to fund other programs. We're not necessarily wanting to see these other programs go. I believe the figure would be somewhere around \$200 million, but it may be less than that; \$120 million goes into the child care supplement for working families, which is actually a work income supplement; it's not really child care.

Mr. Jackson: We'll get the figure, but that's helpful.

Colin, just to let you know, the minister responsible for children was sitting in your seat, I was sitting in this seat and Ms. Martel was sitting in that seat when Ms. Martel asked her the question which you raise in point number four. Since Shelley can't get to the microphone in this round, I'm going to clarify that, when we asked the minister, she was very clear and unequivocal that the commercial and not-for-profit would be treated equally in the province. So even though you've come forward with the suggestion, this minister and this government—having sat in the House with Mr. Sweeney for many, many years and sharing his passion for social policy, the quote really isn't applicable in this century, unfortunately.

Mr. Hughes: It's unfortunate, because the investment really does need to go toward quality.

Mr. Jackson: For the record, I don't agree with it, but that's understandable. The same minister has been asked if she thinks there's a difference in quality and she says there isn't. So as long as there isn't a clear distinction in quality, I don't see why we would discriminate. But anyway, I appreciate your point. I just wanted you to

know that that has been resolved by the government in a very public fashion, for the record. Thank you for coming today.

The Chair: Thank you for your presentation.

FILMONTARIO

The Chair: I would ask FilmOntario to come forward, please.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard. You may begin.

Mr. Brian Topp: My name is Brian Topp. I'm the executive director of ACTRA Toronto. We represent 13,000 performers working in Ontario's film and television industry. I'm also co-chair of FilmOntario, a consortium of Ontario's film industry producers, production companies and suppliers, and the unions and guilds representing the people who work in our business. I'm here with my colleague, Sarah Ker-Hornell, who is the managing director of our consortium.

We're here to tell you a little bit about our industry and to urge that your committee and the Legislature support and give speedy passage to film and television tax credit improvements recently announced by the Premier, the finance minister and the culture minister.

Let me begin by talking a little bit about the industry, and then Sarah Ker-Hornell will speak about the importance of those credits.

The province of Ontario is Canada's broadcast and film centre, and that's been true for many years. Our outfit, ACTRA, has been in business more than 70 years. It was founded as an outfit called RATS, which represented radio announcers and performers working for the CBC in the early 1940s. We've had our ups and downs since then and some have been exciting, but the story during the 1990s was one of remarkable growth.

In 1993, the total film and television production business in Ontario was worth \$338 million. By the year 2000, which was only seven years later, our industry tripled to more than \$1 billion. That's 300% growth in seven years. That's pretty good in anybody's book, I think you would say. It came from two sources. It came from the slow and steady growth in Ontario's traditional strengths. We've always been Canada's broadcasting centre. This is where our broadcasting companies are, where Canadian films are headquartered. That business roughly doubled between 1993 and 2000. It went from \$269 million to just shy of \$500 million. It came from the extremely rapid and remarkable growth in foreign service work. Foreign service work was only worth \$68 million in 1993 but it was worth \$543 million in 2000—an eight-fold increase in seven years.

Then growth stopped dead. We had a zero-growth year in 2001, we had another zero-growth year in 2002, and then we dropped roughly \$200 million in 2003. That trend—an end to growth and then a pretty sickening decline—was driven by a number of reasons.

Infrastructure: We don't have a world-class, purpose-built studio in Ontario, and that's an issue that we need to work on.

We're facing new competition. British Columbia and Quebec saw a good thing going and adopted our methods, plus they built some studios. Smaller provinces like Manitoba and Nova Scotia moved in for a piece of the action. Then Australia and New Zealand and Eastern Europe and now 43 US states have moved to take on Ontario through programs of tax incentives modelled on ours.

The market changed. People in North America stopped looking at Movies of the Week, and we used to make a lot of those here.

Nationalism, brought to you by my brothers and sisters in the labour movement in the United States, who had the idea that American filmmakers and American broadcasters should have 98% of the Canadian film market and 80% of our prime time, and keep 100% of the jobs. This is like the auto industry saying they should have 100% of the Canadian market and all the cars should be made in the United States. They have been driving what's called a "runaway production" campaign that's been suppressing opportunities in Ontario.

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The rise of the dollar.

SARS, which I think in many ways, including in our industry, was unhelpful.

The federal government's poor regulatory policies: The federal government allowed one of its agencies, the CRTC, to put through a disastrous 1999 television policy that has relieved Canadian broadcasters of their obligations to run Canadian shows in prime time, while they keep all the revenues. The result is a dramatic decline in the market for domestic production.

I draw your attention to this, as Ontario legislators: Explicit anti-Toronto policies are being pursued by the federal government. The federal government pays producers to not produce in Toronto.

Finally, and I regret to say that this was really the key issue, Ontario's past position was the province with the least attractive provincial tax credits in Canada. It was an example of sitting on our laurels, I think.

If you stack all that up with the key economic issue that we're facing on the tax credit situation, it's remarkable that we were able to hold on to as much of the market as we did.

We're facing an increasingly daunting environment, one in which we're clearly looking at a very significant continued decline in production. That's why we were very pleased indeed with the government of Ontario's announcement in December that provincial tax credits were going to be reviewed. We're here to commend those measures to you today.

With your indulgence, Mr. Chairman, I ask my colleague, Sarah Ker-Hornell, to speak to you about that announcement.

Ms. Sarah Ker-Hornell: Thank you. My name is Sarah Ker-Hornell and I'm the managing director of the

industry consortium, FilmOntario. For those of you who aren't aware, FilmOntario is the first film and television consortium of its kind in Canada, as the membership consists of over 45 business leaders, as well as industry-specific unions, associations and guilds comprising a total of well over 30,000 members and staff specific to the film and television industry.

One of our colleagues put it very well during our discussions with the government last December when he said that tax credits are now the currency of the global film and television business. As Brian has outlined, we're facing a number of unfavourable trends and circumstances. But there is no question at all that in a relentlessly bottom-line driven business like ours, Ontario's former status as the province with the least-attractive tax credits in Canada was costing us a significant volume of work, and was going to cost more.

How much did it cost us? The Ontario producers' panel of the CFTPA, which is the Canadian Film and Television Production Association, estimated that uncompetitive tax credits had directly led to the exodus of some \$700 million in production from Ontario between 2001 and 2003.

Was it going to get worse? Likely, very much so. The perfect storm we found ourselves in was adding up to a very compelling financial case to move productions out of Ontario. For example, domestic incentives were 50% higher in several western provinces than in Ontario. Foreign service incentives were more than 300% higher in some of those jurisdictions.

So that's why people in our industry were so pleased that the government included a commitment on this issue in its 2003 election platform. As Premier McGuinty and Finance Minister Sorbara argued, addressing those tax credits was an essential first step to reversing the unfavourable trends we found ourselves in. We're very grateful to the government for making those commitments. We're also grateful to the Honourable Marilyn Churley for helping to keep this issue on the public agenda, and we're grateful to the Honourable John Tory and to the Honourable Jim Flaherty for keeping this commitment before the Legislature until it was acted on. The support of the government and of all three political parties in the Legislature has sent a clear signal that Ontario is committed to preserving and building its film industry.

And with these new film credits in place, we're positioned to do just that. I can tell you from our members that these changes will radically improve the economics of our business. On the domestic side, Ontario will go from having the worst tax credits to some of the best. When you combine that with our inherent advantages—our proximity to broadcasters, the depth and breadth of our industry here—that should translate directly into a very significant recovery.

On the foreign service side, the proposed increase to the foreign service tax credit significantly offsets the rise in the Canadian dollar and puts us in a good competitive position vis-à-vis Ontario's key competing jurisdiction,

which is the United States. Again, the result should be a very significant recovery.

This kind of increased activity will translate directly into more jobs and more production in Ontario, fully financing the cost of the credits. I can tell you, Ontario producers' phones started ringing with new projects as early as the afternoon of the announcement. So we want very much to thank Premier McGuinty, Finance Minister Sorbara, Culture Minister Meilleur, the government and all three parties in the Legislature for their help and support on this issue.

We urge this committee to recommend the inclusion of these proposed tax credits in the next budget, and to recommend speedy passage.

Once these credits are in place, is our work all done? I'm afraid that, no, it's not. There will be a lot more work to do together to build this industry.

Now that we're going to have the economics right, we're going to need to get the word out to maximize the return on our investments. Ontario showed what it could do in the global marketplace with our post-SARS tourism marketing efforts. FilmOntario is going to continue to partner with the government of Ontario and the city of Toronto to market our province as a great location for film production. We hope the government will consider doing more with us to build our global brand as a production centre.

We need to work together to persuade the federal government to stop discriminating against our province by paying broadcasters not to produce in our major film centre, Toronto. We need to work together to address the infrastructure challenges we still face. But the main thing today is that we've made a wonderful start with these enhanced tax credits. Please support them. They're going to pay off for our industry, for everyone who works in it, and for the province of Ontario as a whole.

The Chair: Thank you, and the questioning will go to the NDP and Ms. Martel.

Ms. Martel: Thanks for being here today. I also want to thank you for mentioning Marilyn and the three or four questions she raised in the assembly on this. I will let her know you did that.

It's referenced a little on page 6 as I was reading through this, but maybe you can describe it better to me, because I was going to ask, are the tax credits enough to deal with the rise in our dollar against the American? I don't pretend to understand fully how these credits work and how they work on the foreign service side. Is it going to be enough? Are we going to be OK?

Mr. Topp: Well, we'll see. One of the aspects of the announcement was a commitment by the government to review the foreign service credit on an annual basis, and that's smart, because you've got a highly dynamic business here.

I've talked to a lot of US studios about the economics of film production in Ontario. They were very happy when we had a 63-cent dollar. They were OK when we were in the mid-70s. When you get into the mid-80s, then you get to the point where the purchasing parity is basic-

ally getting to the US dollar rate, and the economics don't bring you to Ontario any more.

The net effect of this tax change to US service production is, in effect, to reset the dollar back into the mid- to high-70s. It gets us back to about where we were last year, and that was an excellent place to be. It's a good start, but we have to watch it. This is one of the most mobile forms of capital out there. We'll have to see whether it works.

Ms. Martel: You said part of the announcement was that the government is going to review the foreign service side of this on an annual basis. Are you going to be part of that? Have they given you that commitment, that you will be involved in that process?

Mr. Topp: We're happy with how we were listened to. They did tell us they would work with us, and we're hopeful that we will be involved.

Ms. Martel: You outlined other issues that had been challenges; for example, purpose-built studios. You were talking about the competition in British Columbia and Quebec. Do you have applications in to the government now, outside of the discussions that were going on immediately about the tax credit and for the government to live up to that promise? What kind of discussions, if any, have you had on that side? How much of a challenge is this in terms of us keeping the advantage we now hope to have with the change in the tax credits?

Mr. Topp: The infrastructure issues are significant; there's no doubt about that. Ontario is a very competitive film and television production centre. We can shoot 40 productions at the same time in this town, but we don't have a large purpose-built film studio. We're basically working out of warehouses in this town. You can do a lot with that physical plant. We shot Chicago here. It got a bunch of Academy Awards. We shot Cinderella Man. You can do big movies in this town. But the really big movies, the US\$150 million to US\$200 million, X-Men 2 kind of movies cannot shoot here, because we don't have the infrastructure to do it.

The city of Toronto has been working with a series of bidders to consider building such a studio on the waterfront. TEDCO is in the process of working with a winning bidder right now to get that through. That process is extremely, painfully slow. The result has been that a building that you can build in months has been delayed for years. It would certainly be no bad thing for the province to state its interest in seeing this done and to urge all the players there to get on with it, bearing in mind that we understand there are complicated issues; it's a brownfield site and it's not simple to do. But there is no question that it's a big issue, that that construction project is important, and that if it doesn't go ahead, we're going to need to come up with something else quickly.

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Ms. Martel: So the city of Toronto is essentially the proponent of moving it forward. Is there no provincial-federal involvement at all in negotiations, some form of commitment, even if the amount of money is not disclosed?

Mr. Topp: I don't pretend to understand the complexities of the waterfront development, but there sure seem to be a lot of players there and there seem to be a lot of overlapping land ownership and provincial, federal and municipal environmental issues. So it's hellishly complicated to get anything done on the waterfront, which is a far bigger issue than our little studio project. But let's be clear: The studio project is really a big thing for us. So it's one example of how all levels of government and TEDCO and the other players need to get their act together and get moving on issues like this. If you could get that studio production in, you could see a remarkable increase in growth in this industry.

The Chair: Thank you for your presentation this afternoon.

Mr. Colle: On a point of order, Mr Chair: I'd like to include a motion for consideration at the report-writing stage.

I move that the standing committee on finance and economic affairs recommend that funding for enhanced tax credits be included in the upcoming budget as per the announcement made by Finance Minister Sorbara in December.

The Chair: If you will provide that in writing, it will go to the report-writing stage.

Thank you for your submission this afternoon.

Mr. Topp: Thank you, and thank you so much for that motion.

CANADIAN INSTITUTE OF PUBLIC AND PRIVATE REAL ESTATE COMPANIES

The Chair: I would ask the Canadian Institute of Public and Private Real Estate Companies to please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard.

Mr. Michael Brooks: Thank you very much. My name is Michael Brooks. I'm the executive director of CIPPREC, if I can use that shortened name. Our group is basically the public real estate companies, TSX-listed REITs, the real estate arms of the banks, the life insurance companies, the major pension funds and large private companies coast to coast. Our members would own investment property in every asset class, including nursing homes and hotels, in excess of \$80 billion. Most of that is in Ontario. That would be in both 416 and 905 and in smaller centres throughout the province.

On my right is Chris Conway, who is our director of government relations.

First, I'd like to thank all parties in attendance here today for the passage on December 16 of the Trust Beneficiaries' Liabilities Act, which was very important to our industry—it provided for limited liability of unitholders of income trusts—and to remind this committee that in my opinion the TBLA, if I can call it that, is much better than the equivalent legislation in Alberta and better than the civil code in Quebec. We are now the preferred juris-

dition for income trusts in Canada, and indeed most of the business trusts are organized here.

There are four points that we have requested in our submission.

Most importantly, we are requesting a continuation of the so-called hard cap on commercial property tax increases, particularly as they apply to the city of Toronto.

Second, we would like to see multi-family property tax ratios move to 1 to 1 with single family. Right now, apartment building tenants, through their rents, pay some of the highest property taxes in Canada.

Third, we certainly would like you to rethink the reimposition of rent controls. We understand that the Liberty Party ran on rent controls in its platform, but we just believe the system encourages too many free riders and that an income supplement approach would be better.

Lastly, we have a few creative ideas.

If I could focus on the hard cap for a minute, we have provided you with some background, some facts about property taxes. The highest property taxes in Canada are in downtown Toronto: \$18 to \$19 a square foot a year in the Royal Bank Plaza; averages of \$14 to \$15 a square foot downtown. That compares to \$4 in Mississauga and \$4 to \$5 in Markham. That discrepancy of \$12, \$13 or \$14 is by far the highest in Canada.

The city of Toronto is quite unusual now in Canada in that it only has between 5% and 10% of new development. Hardly any of that is downtown. As most of you will know, the Maritime Life Tower at Queen and Yonge is probably the only new building we've seen, apart from condos, downtown. Everything's going to 905. We think that's a direct result of the high property taxes in the city of Toronto. Tenants are voting with their feet.

While the provincial government may be thinking that you're indifferent as to where economic activity occurs, we see it as being contrary to a number of other public policies: the Oak Ridges moraine treatment, the demand by the TTC for continued funding. Indeed, we calculate that we've lost 5,000 jobs downtown over the last three or four years, whereas 905 has 30,000 or 40,000 new jobs. When a new job is created in 905, it's a new car on the road. When a new job is created downtown, eight tenths or nine tenths of that is existing transit. From a point of view of intensification and use of a hub-and-spoke rail system, encouraging development downtown just seems to make sense, but the fact that the property taxes are the highest in the country sends completely the opposite message.

The city of Toronto has recognized the importance of encouraging office development downtown. They've waived development charges again, for a second three-year period starting last August, but they don't seem able or willing to move on the high commercial property taxes. We've spoken many times to the finance people at the city of Toronto and tried to put ourselves in their shoes. We're concerned that there doesn't seem to be an incentive to control spending or the political will to increase residential property taxes. Certainly, last year the province gave a one-year reprieve to the city, allow-

ing them to increase commercial taxes one half of the residential increase, which they did. We believe that that should only be a one-year window and that we should go back to making them live within their means.

CIPPREC has always on been on the record as suggesting that we're not sure the city of Toronto can control its spending effectively. We were against giving them gas tax money. We just think that the more you give them, the more they will spend. We were more in favour of uploading responsibilities and taking away some balance sheet responsibilities, possibly the TTC, into a three-government authority as a better way of controlling it. We are quite concerned that the more money they will be given, the more they will spend.

We also would point out that both this province and the federal government have announced cost-cutting measures and are trying to look at control. We do not see any of that in the city of Toronto. We have not seen any strikes. I wouldn't be happy until there was a full budget review. I'm quite concerned that for the police budget, it seems that whatever is demanded is taken. I'm quite concerned about the TTC's headline yesterday, about "We want more, not less." I'm quite concerned that that's run inefficiently.

I think that we'd like to see some tough love when it comes to the city of Toronto. We'd like to see the hard cap put back in place and maintained.

I think that's probably all we need to talk about today, Chris. Is there anything else?

Mr. Chris Conway: I think that's pretty much everything, Michael. I would just add that last year, when the city did request an increase, a lot of the reasons they cited were one-time reasons. Again this year, they are looking for another increase, and so it begs the question, are these one-time issues? It seems to be something that's recurring. That's the only other comment I would add.

The Chair: Thank you. The questioning will go to the government. We'll begin with Mr. Colle.

Mr. Colle: Thank you very much for the presentation. I certainly appreciate the comments on the income trust legislation that was passed. I guess it's part of the malaise we have in Canada or Ontario: When there's good news that creates jobs and investment, as that initiative did, it goes unmarked. Sad to say, the opposition parties did not support that initiative, which I think was really a no-brainer. I know it's been applauded, certainly in business circles across Canada. I think we had to be competitive with Alberta and so forth. I appreciate you taking note of that, because sometimes in finance there are so many things taking place that you can be criticized for, but I think that was an initiative that had to be done. Again, that was the result of the TSX and organizations like yourself making presentations. Really, the financial sector in Toronto, which employs about 150,000 people, was adamant that that had to be done to remain competitive in Ontario.

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Getting back to the hard caps and clawbacks: I was just getting an update on that yesterday. As you know, we gave options in last year's budget whereby municipi-

palities could accelerate moving away from the clawback so that a lot of taxed properties on the commercial side could essentially get some of the savings that had been promised them for years that had never accrued to them. Sad to say, there has been no indication in the city of Toronto that they're going to take up that offer, although—I don't know if it's good news or bad news—it seems that municipalities in the 905 may be moving in that direction, to maybe further exacerbate the differential between 905 and 416. So we're monitoring that just to see what can be done, because there is no denying that one of the unheralded challenges we have in Ontario is that to remain competitive we can't continue at this rate of taxation on our commercial properties in the core. I just want to remind you of that, that we are monitoring that.

I guess the other thing is the comments made about the hard and the soft cap. As you know, we gave that exemption for allowing an increase on the commercial side last year, and the city of Toronto and the city of Ottawa took us up on that. That application has to be made; it is not a rubber stamp. The worrisome thing is that a lot of the media coverage of that has indicated it's almost automatic, and Toronto is almost including it in its budget without having it approved. I'm glad that you've made note of that and they're aware of the fact that it has to be approved by the provincial government before that exemption is given again to increase taxes on the high-rise and downtown commercial cores.

I just want to say that we are listening and are appreciative of your concerns but may not agree with everything you're saying. How we deal with Toronto's request for more autonomy is something that we're dealing with right now. But it's pretty frightening to hear that we've lost 33,000 jobs in Toronto over the last year. That's of great concern and I couldn't agree with you more. We're not saying it's a net gain, because of job loss. We can't afford to lose one job. We should be going in the reverse direction.

Is there anything else we could be looking at to reverse that job loss trend besides the property tax situation? Are there any other factors?

The Chair: You have about a minute left.

Mr. Brooks: I think the city and the province need to develop a positive economic development program for the downtown, including the waterfront. When I hear presentations and they announce jobs coming to the waterfront, I say, who? where? No offices are going to go down there. If there's a grand vision for the waterfront, I don't think that any offices are going to be there, given the current situation.

The other thing is we have to look at the fact that we've got a rail system with its hub at Union Station but fewer people are coming in there now. Should it still have the same allocation? Arguably, we need a rim strategy, not a hub-and-spoke strategy any more, because rail isn't where the jobs are any more. They're not downtown; they're out in the suburbs. To get the jobs back downtown needs a positive program.

The Chair: Thank you for your presentation.

ONTARIO CAMPAIGN FOR ACTION ON TOBACCO

The Chair: I would ask the Ontario Campaign for Action on Tobacco to please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I'd ask you to identify yourself for the purposes of our recording Hansard.

Mr. Michael Perley: My name is Michael Perley. I'm director of the Ontario Campaign for Action on Tobacco. Thank you for this opportunity.

For the record, the campaign includes the Ontario Medical Association, the Heart and Stroke Foundation of Ontario, the Canadian Cancer Society's Ontario division, the Ontario Lung Association and the Non-Smokers' Rights Association. We've been working together for some time to reduce the use of tobacco industry products, the number one cause of preventable disease and death in the province and the only consumer products which kill half their long-term users when used as intended by those who make them.

We strongly support the government's general direction in terms of comprehensive tobacco control and the strategy it began rolling out before Christmas. While its latest initiative, yesterday's \$1.25-a-carton tobacco tax increase, is modest, every incremental step in this direction is useful.

When I was last before the committee in December 2003, my remarks focused on concerns about renewed smuggling, which is raised by the tobacco industry and its allies whenever a tax increase is enacted. These allegations continue to surface today and have been supplemented by a new series of concerns, this time about alleged increases in theft from convenience stores and other retail outlets, and indeed from tobacco industry warehouses themselves, as a result of increased taxes. The theft allegations have been most recently reviewed in a report for the Ontario Convenience Stores Association by former RCMP commissioner and tobacco industry consultant Norman Inkster.

In my testimony in December 2003, I noted the reasons why renewed smuggling of the type experienced in the early 1990s is no longer a concern in Ontario today. I won't repeat that review today, but would be happy to answer any questions on that matter.

I do want to address the matter of alleged increases in theft, but before doing so I want to briefly describe what we know about the impact of increased tobacco taxes on consumption. In a nutshell, increases in tobacco taxes are the single best means of reducing both the number of people who smoke and how much they smoke. The federal Department of Finance and other authorities have estimated that a 10% price increase produces a 4% reduction in prevalence among adults, and this is a figure that can be doubled in the case of young people, who are more price-sensitive than adults.

Again, yesterday's \$1.25-a-carton increase represents less than a 2% price increase at current levels, which is unlikely to produce a detectable reduction in prevalence

by itself. Having said that, the increase has at least two other benefits. Ontario prices continue in an upward direction toward the national average, as promised by the government, particularly if the tobacco industry uses yesterday's increase as a cover to add a price increase, which is a prevalent industry tactic, and the increase will generate more revenue which can be used to help offset the \$300-million shortfall between the \$1.4-billion annual estimated tax intake in Ontario before yesterday's increase and the \$1.7-billion annual cost of treating disease caused by tobacco industry products in Ontario. Those costs are not the only ones involved, but we'll stick to them for the moment.

The increase could also be used to help finance the government's comprehensive tobacco control strategy in a number of different ways. Unfortunately, despite yesterday's increase, Ontario still has the second-lowest tobacco taxes of any jurisdiction in Canada, at \$23.45 per carton of 200 cigarettes.

Before the committee last December I noted an important loophole in the current tax structure, which is that loose tobacco for roll-your-own cigarettes is taxed as if one gram is required to make one cigarette. Just to quickly summarize, in fact only half a gram is required to make one cigarette, so half the amount of tobacco that is in a 200-cigarette carton is used to make 200 cigarettes of roll-your-own, yet roll-your-own is taxed at half the amount that manufactured cigarettes are taxed at. The government has given itself authority to change that but has not acted on that authority yet. So we urge that roll-your-own be taxed in terms of the same number of cigarettes as in a carton; in other words, equally to a carton of cigarettes. I just wanted to briefly summarize my written material there.

I want to now deal with the increased-theft argument used by the tobacco industry and its allies in their opposition to increased taxation. If we judge strictly by media reports, the most common concern today of those opposed to higher taxes is an alleged increased incidence of theft from small retail outlets. In reading these reports, one is left with the impression that the sole target of small retail theft is tobacco products. The fact that lottery tickets are also stolen, as well as cash, is often not mentioned. What's also of relevance in the theft issue, however, is the amount and visibility of product on premises. Bill 164, introduced by the Minister of Health before Christmas, bans retail displays of tobacco products "except as provided for in the regulations." We support a complete ban and are unclear on why any regulations would be necessary.

In addition to their value as advertising, and in particular their influence on young people due to their location next to candy counters, highly visible displays of tobacco products can act as a trigger for theft by making the product more physically accessible to thieves. If you look at an average convenience store display, you'll see that the product is stacked on the so-called back bar of the counter area either just below or actually on the display, making access by anyone, clerk or thief, easy.

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Another question in this regard concerns how much product a convenience store owner actually needs to have on-site daily to service his or her customers. We've had several convenience store operators tell us that having a so-called power wall tobacco display, for which the industry pays retailers, also obliges them to keep more product on the premises on and around the display than is necessary to service their customers on a day-to-day basis. We've also been told by a few retailers that they routinely remove product from their power wall displays overnight to make their stores less attractive to thieves.

In addition to eliminating the value of power wall displays as advertising, banning them could be helpful in reducing thieves' ease of access to product. The absence of power walls will also make it less clear how much product is in any given store and will encourage owners to keep less product on the premises overnight.

On a different subject, the funding of tobacco control programs, I would like to commend the Minister of Health for increasing the amount of funding dedicated to comprehensive tobacco control programming to \$40 million annually in the province. This amount is more than double any previous annual allocation to tobacco control in Ontario. That said, analyses by, among others, the US Centers for Disease Control and the Ontario Medical Association indicate that in Ontario a fully funded, comprehensive tobacco control program requires at least \$90 million a year if it is to dramatically reduce the number of people who smoke.

An OMA analysis completed in late 2003 concluded that at this level of funding for a five-year period, prevalence could be reduced by up to 25%. While a further increase in funding of \$245 million over five years—the difference between current funding and \$90 million a year—may sound like a significant amount, the OMA analysis concluded that over \$11 billion could be generated by this investment in a combination of increased tobacco taxes, increased sales and income tax paid, and including \$6 billion in avoided health care costs alone—that is \$1.2 billion per year for five years—over the same five-year period.

That was at the time of the OMA analysis. Since then, the health minister has revised the cost of treating tobacco-related illness to our health care system from the OMA's figure of \$1.2 billion annually to \$1.7 billion annually. This revised estimate would result in an additional \$2.5 billion in health care savings over five years, putting the combined estimated savings from an adequately funded tobacco control strategy at more than \$13.5 billion over five years.

The OMA's analysis is available on the association's Web site, and association representatives would be happy to bring this to your attention if you wish.

Finally, I want to raise the matter of the government's promised \$50-million community transition fund. The Ontario campaign supports transitional assistance to municipalities in the tobacco-growing region of southwestern Ontario to help them develop new industrial and

business strategies for the region to be implemented as tobacco growing is phased out. We support the \$50-million assistance program. We urge the government to bring forward the assistance as part of its comprehensive tobacco control strategy now being rolled out.

Thank you again, Mr. Chairman. I'd be happy to answer any questions.

The Chair: Thank you very much. The questioning in this rotation will go to the official opposition.

Mr. Barrett: I thank the Ontario coalition for their presentation. You have made a number of presentations, as you have indicated. We have the legislation before us with respect to a smoke-free Ontario. You advocate, for example, with respect to hotel and motel rooms, that smoking be banned as they are workplaces as well. You also advocate smoke-free zones of nine metres from around every entrance to every public building. I don't think that's in the proposed legislation.

Mr. Perley: Neither one of those is.

Mr. Barrett: You're advocating that that be considered?

Mr. Perley: I think it needs to be considered, because hotel and motel rooms are workplaces for many people, on the one hand, and entranceways, depending on how they're configured, can be areas where people who smoke congregate and can be very unpleasant places to pass through. This is as a result of complaints we've had from a number of people in Toronto and elsewhere where smoke-free bylaws have been in place for a while.

Mr. Barrett: You advocate regulating smoking in vehicles. With respect to home care, you advocate that there must be no smoking in a residence 24 hours prior to a home care visit. Do you stand by this as well? Would these be amendments coming forward?

Mr. Perley: In the case of vehicles, the OMA's recommendation in its recently published analysis was to eliminate smoking in vehicles where children are present. To give you an idea of the extent of this, some people indicated at the time of the OMA's analysis being published that they didn't think this was a problem. I believe the figure is that 17% of 12-year-olds report being exposed to cigarette smoke in vehicles. They're very enclosed environments and can produce significant health problems in kids, so that's the rationale for that. I think it's a strong rationale.

Mr. Barrett: You also favour a ban on smoking in long-term-care facilities?

Mr. Perley: Yes. There are designated smoking rooms allowed in long-term-care facilities. We have seen a couple of bylaws, notably Sudbury's bylaw, phase those out without any difficulty, and we've had a number of long-term-care facilities indicate that they've already phased them out. We've also had a number of complaints from long-term-care workers who say they are required to work in the designated smoking rooms, whether a bylaw gives them any protection or not. As long as staff are being forced to work in them—and the fire marshal has indicated that because of a risk of fire, someone should attend every smoking patient in a designated

smoking room. This puts those staff at extreme risk. So we do advocate that they be phased out.

Mr. Barrett: A final question, and then I will defer to Mr. Jackson. We heard from My Choice, an organization with 1,500 members. You have four corporate members. What is the membership of your organization?

Mr. Perley: It's the organizations that we mentioned. Their total membership in terms of volunteers and staff is well over 100,000.

Mr. Barrett: Mr. Jackson, did you have a question?

The Chair: Mr. Jackson. You have two minutes left.

Mr. Jackson: Two minutes. That's fine.

Michael, first of all, I'm a non-smoker, so I have a serious amount of empathy there. However, I have a constituent right now whom I cannot get placed in a long-term-care facility because of her smoking habit, and she's never going to break it. I'm a little concerned that we don't recognize that people have a right to certain health services, which is to have a roof over their head. I just wanted to put that on the record, that although the agenda is well-intended, in some instances I would suspect that the smoking rooms might be struck down as unconstitutional for some residents. In this instance, I just wanted to let you know that I've got constituents whom I'm having a devil of a time getting placed because they smoke. They have the unfettered right to reject them, but they've got to find a roof over their head.

Just quickly, I'll ask you this one question. The Liberal election promise, to your knowledge, was about \$140 million in the first year for your abatement strategy. Is that not correct?

Mr. Perley: That was the cost that background documents put for the first year, and that includes the \$50-million transition fund.

Mr. Jackson: And the second was about \$90 million subsequently?

Mr. Perley: That's correct.

Mr. Jackson: So in your mind, that was a bit of a broken election promise, was it not, that those kinds of commitments have been watered down rather substantively?

Mr. Perley: We haven't seen the transition fund. We've seen the first phase of the strategy go forward, and I think that was approved in the fall. Strictly speaking, in the first year \$140 million was not delivered. I hear varying things about whether the transition fund is or is not on the table, but the start toward refunding the strategy or increasing the funding has been made. The next year will tell the tale, whether we go up from \$40 million to \$90 million. We don't know whether that's going to happen yet. We advocate that it happen, but we haven't seen any official decision in that regard.

The Chair: Thank you for your presentation.

UNIVERSITY OF TORONTO

The Chair: I would ask the University of Toronto to please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning

following that. I would ask you to identify yourselves for the purposes of our recording Hansard. You may begin.

Mr. Frank Iacobucci: Thank you very much, Mr. Chair. My name is Frank Iacobucci. I'm the interim president of the University of Toronto. Accompanying me today is Carolyn Tuohy, who is the vice-president, government and institutional relations. I thank you very much, Mr. Chair and Mr. Vice-Chair, for having this opportunity. I'm very honoured to be here and to participate in the 2005 pre-budget consultations on behalf of the University of Toronto.

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These are momentous times for higher education in the province. In just a few short weeks, the Honourable Bob Rae is expected to publicly release his recommendations for shaping the future of post-secondary education in our province.

We recognize the fiscal constraints facing this province, and we recognize that this government must address competing demands for scarce resources. But, members of the committee, we must not be so bound by these constraints that we bind the future as well. If we fail to make investments in universities now, we will be weaker as a province in the future and less able to maintain and improve our health care, education, communities and environment. There is simply no better investment than higher education. For this reason some, such as Bob Rae, have said, "Education is the most important social policy." It is therefore our profound hope that his recommendations will make a difference, and to this end we urge you, as members of this committee, to take account of the need for increased investment in post-secondary education as you consider the fiscal and economic policies of the province.

Like Mr. Rae, we believe that our system of post-secondary education is in serious jeopardy. The University of Toronto's submission to the Rae review, *The Choice for a Generation: Investing in Higher Education and Ontario's Future*—copies of which have been made available to members of the committee—is premised on the belief that post-secondary education in Ontario is at the tipping point. What we choose to do now as a province will affect generations to come. We will shortchange a new generation and jeopardize the future that depends on its leadership unless we address the pressing issues facing this sector.

I know you're hearing this message from my fellow university presidents and from the Council of Ontario Universities, but I'd like to reinforce that for you, because what they are describing is real; they are not crying wolf. I can tell you this from the perspective of one who has returned to the university after a 20-year absence. The difference is striking.

First, the student body is itself dramatically different. To look out at one of our orientation sessions for new students or one of our graduation ceremonies is to look at the face of a new Canada. At the University of Toronto, 40% of our undergraduate students were born outside Canada and about one third are the first members of their families to attend university. This is a new generation.

The second difference I see is not a happy one. This new generation is not receiving the quality of education that those who attended 20, 30 and 40 years ago received. Class sizes are larger, first-year students have less opportunity for small seminar courses, and upper-year students have less chance to work with professors on individual research projects. Buildings are deteriorating and classrooms are becoming outmoded. We are indeed at risk of shortchanging a generation.

Underfunding our universities has diminished Ontario's competitiveness within Canada and globally. Universities cultivate the ideas and leaders that drive our economy and sustain our society. They educate doctors, nurses, teachers and administrators that are crucial to Ontario's health care and education systems. At the University of Toronto, more health care professionals graduate each year from degree programs than anywhere else in Canada. Our graduates also replenish the ranks of the professoriate in this country: one in six professors in anglophone universities in Canada has a U of T degree.

So what must be done? For the remainder of my time today I should like to focus on four issues: funding for Ontario's universities; student financial assistance; graduate education; university-based research—with particular reference to some of the solutions recommended by very recent experience at Canada's largest university. Following this, vice-president Tuohy and I would be pleased to answer your questions.

Members of the committee, funding for the university sector in this province has been on a downward track for the last decade, leaving Ontario last among the provinces in terms of public funding to universities. This steady decline has had its price: As funding decreases, so does quality.

We must act to reverse this decline. A start would be to strategically reinvest in higher education through multi-year funding and accountability agreements to bring public funding for universities in Ontario to at least the national average, as strongly advocated in the COU brief. At U of T, this would mean a \$180-million increase in our operating grant. In addition, there must be funding to address the deferred maintenance costs, currently \$315 million at the University of Toronto, as well as to allow us to maintain our buildings so that another backlog does not develop in the future.

The second issue I would like to raise for the committee today is student financial assistance. Tuition fees are not the problem. It is only fair that students pay a portion of the costs of their education; otherwise, those who do not go to university must fully subsidize those who do go. Evidence from across Canada and around the world shows that tuition fees do not deter access when they are accompanied by excellent programs of student aid. But in Ontario, student aid is the problem.

Like Mr. Rae, the University of Toronto believes that our system of student financial aid is broken. The Ontario student assistance program, OSAP, and other government student assistance programs do not take the full costs of obtaining a post-secondary education into account, do not

provide a sufficient response to student debt, leave out middle-income students and are unnecessarily complex. Because many university-based programs of need-based student aid build upon the OSAP platform, as does ours at U of T, it is doubly important that the platform be reformed. We can make better use of existing resources, as well as increased investments, if government and university programs are better integrated.

At the University of Toronto, our policy on student financial support and our tuition fee policy work hand in hand to ensure that no student offered admission to a program will be unable to enter or complete their program owing to lack of financial means. We have demonstrated that we can be both responsive and responsible in setting tuition and providing the necessary aid. For these reasons, we believe the provincial government should endorse institutional self-regulation of tuition fees within a framework that holds institutions accountable for ensuring accessibility for all students.

The third issue I would like to raise for the committee today is graduate education. Unlike ever before, graduate education has become a prerequisite for access to Canada's knowledge economy. While Ontario's participation rates in undergraduate university education have increased steadily over time, making these rates comparable with other jurisdictions, our participation rates in graduate university education have not. In comparison with our peer US states, Ontario confers less than half the number of master's degrees and only three quarters of the doctoral degrees. This continuing lag reduces Ontario's ability to compete internationally, affecting not only our universities but our overall economy.

In order to remain competitive, Ontario's shortfalls in graduate education must be addressed and the current cap on graduate enrolment must be lifted. With increased funding for graduate enrolment, the University of Toronto would increase our master's enrolment by 50% and our Ph.D.-level enrolment by about 30%. This investment would enable Ontario to accommodate the demand that will stem from the double cohort, respond to the need for highly qualified personnel and become an international centre for graduate education of the highest quality.

This brings me to my fourth and final point. High-quality graduate education can be provided only with a strong base in research. The one area in which positive momentum has been built over the past few years, through federal as well as provincial government funding, is in the support of university-based research. This momentum must be maintained. The jurisdictions with which we compete are not standing still. We must not slide back; rather, we must move vigorously forward. Our ability at the University of Toronto to fund faculty through these means has offset some of the shortfall from the operating grant. Indeed, without research faculty, I sense that we might already have fallen off the precipice that I described earlier.

Let me just say by way of concluding remarks that I'm not being overly dramatic when I say that the future of

this province depends on how we address the issues I am placing before you, together with my fellow university presidents. In higher education, a foundation that is crumbling must be restored and built upon. It is the best investment we can make, and it is the only responsible course.

May I wish you all well in your remaining consultations. I look forward to any questions you may have. Thank you for your attention.

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The Chair: Thank you very much. The questioning will go to the NDP, Ms. Martel.

Ms. Martel: Thank you for being here today. We appreciate your contribution. I'm just looking at what it would take to bring the U of T up to the national average in terms of funding as a post-secondary institution: "... a \$180-million increase in our operating grant."

What's going to happen if (a) the government doesn't come forward with an increase in post-secondary funding or (b) comes forward with an increase that may have been based on last year's amount, which would not have been nearly enough for you to rise in terms of your funding in comparison to jurisdictions across the country? What are you going to do?

Mr. Iacobucci: That's an extremely important question. The fact of the matter is, we've been limping along, holding everything together as much as we can. It would be a little imprudent for me to say specifically what's going to happen, because this is something my colleagues and I would have to consult on and decide what is the best response to that.

There is no question: We have been holding off on things like our library. The University of Toronto's library is the fourth largest in North America as a research library. It's a national treasure. It's not just a provincial treasure; it's a national treasure. We've been holding the acquisitions budget of that facility intact over these years. How long could we hold on to that? If we are not going to get an operating grant, we'd have to look at that. We've been holding the acquisitions budget because if you get behind in books, it's hard to catch up in keeping the leadership position that we wish to cherish and continue into the future. So there are things like budgets of that kind—there are not many of that kind, because they're so unique—but we would have to re-examine certain programs. We would have to say, "Can we continue to maintain these programs?" The cutback situation would be really on us. Yet, we haven't seen lack of quality in our programs. We don't mount programs unless they do have that. We try to make sure that our programs are the best. So we would have to be looking very, very fundamentally at starting to make major surgery in operational aspects of our activities.

Ms. Martel: As an alumna of the U of T, I was in that library more times than I care to remember. But that was a long time ago too.

You're talking about operating, but you also mention that your deferred maintenance costs now run in the order of \$315 million. That would be a capital budget more

than some universities, never mind just a capital budget for deferred maintenance. What do you do then, because it wouldn't be just the library you're talking about for \$315 million. You are talking about all of your labs—and you're in the position where you're growing. I know you have made major acquisitions of properties downtown just to accommodate, I would think, not only the double cohort but your increase from 1992 on, which you referred to. So you've got problems from both ends: deferred maintenance, I would think, and then your capital costs for the new acquisitions you are making to accommodate your increasing student body. Would that be correct?

Mr. Iacobucci: Absolutely correct. In fact, the response of the University of Toronto, and I think the response of the universities of this province, to the double cohort is quite an admirable record of flexibility, responsiveness and responsibility. So we have this double problem of being probably the oldest campus, certainly in the province, and among the oldest in the universities of our country, but at the same time we have a tremendous growing demand for new facilities in Scarborough and Mississauga, where there is projected enrolment growth, because there is great demand for many more applicants to come to the university.

What, again, would be the specific response to the \$315 million accumulated? We would be doing what we could, characterizing the most urgent and most in need of attention as being given a priority and doing what we can through a combination of other foundations that we can look to for support and so on. But those sources are drying up as well.

Mr. Colle: A point of order, Mr. Chairman: I would be remiss if I didn't publicly acknowledge that this committee is honoured to have a chief justice appear before it. I want to thank you, as a Canadian, for the remarkable contribution you've made to this country from coast to coast, from your parents' humble roots in Cosenza, from Vancouver to the Supreme Court of Canada. I know the great work you're doing at U of T. I just commend you for that contribution. Your words are certainly compelling, and hopefully we can help do what is right for the University of Toronto and all other universities.

Again, on behalf of the committee, we want to thank you for taking the time. It's not often we're addressed by a chief justice, or a justice.

Mr. Iacobucci: Thank you very much. It's very kind of you to say that. I appreciate your remarks very much.

The Chair: Thank you for your presentation this afternoon.

ELEMENTARY TEACHERS' FEDERATION OF ONTARIO

The Chair: I would now ask the Elementary Teachers' Federation of Ontario to please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning

following that. I would ask you to identify yourselves for the purposes of our recording Hansard.

Mr. David Clegg: My name is David Clegg. I'm the first vice-president of the Elementary Teachers' Federation of Ontario. On my left is our general secretary, Gene Lewis; to my right is our research officer, Pat McAdie.

First of all, I'd like to thank you for this opportunity. From our perspective, it's an opportunity to have input into a government that has demonstrated that it's listening—certainly a departure from the previous eight years.

I want to begin by applauding your government for the work they've already done in education. From an elementary teacher's perspective, the commitment to cap primary class size and the efforts already in place to do that are long overdue. That alone has raised the morale of our members. In a business that deals with children, morale is key to success. We thank you for that, and we look forward, over the course of the rest of your mandate, to continuing to do those things that you promised to do in your election campaign.

I want to talk today specifically about four recommendations in our brief, the first of which is the issue of preparation time. For elementary teachers, this is an ongoing and historic issue. Currently under the legislation, the working week of a teacher should not be less than 1,300 minutes. Also, the instructional time for elementary students would be placed at 1,500 minutes currently. So this essentially provides 200 minutes of preparation or planning time for elementary teachers. The problem has been and continues to be that the funding formula only provides roughly 140 minutes in terms of the funding for the boards.

We have identified, and certainly those outside of government have identified, time and time again that the best investments in education come in the early years. One of the things that ensures success in school is providing teachers the opportunity to do their very best, and that's essentially what planning time does. It provides teachers the opportunity to interact not only with their colleagues but with parents on a daily basis. It provides them the opportunity to do the best in terms of being motivated to provide at the point in the lesson all of the detail, all of the complexity that the new curriculum demands.

Beyond that, what preparation time does for teachers is it allows them the opportunity as professionals to make other choices in their day as to how they may be able to interact with students. By that I mean, quite bluntly, that when teachers can do those things that are required of teachers, delivering lessons within the scope of their instructional day, it gives them an opportunity to consider voluntary activities outside of that day. What we've seen over time is that when teachers are not provided that choice, they opt to do their professional duty, and that's to teach students in the classrooms, and quite often that is to the detriment of their voluntary activities.

We also believe that if this was funded, it would provide a unique opportunity to enrich the lives of ele-

mentary students. The teachers who would be doing the preparation so that they could be better in the time they have with students would be replaced with teachers who potentially would have specialties, specifically in the area of music, which I know is an area that has been sadly neglected in the last decade; they would also have the opportunity to have specialists in the area of phys. ed., an initiative that the government has been on record as considering a priority. The health and well-being of students can best be effected by daily regular phys.-ed. activity. As well, the whole other issue of arts and drama programs could be enhanced. What's sad is that a decade ago, many elementary schools had those programs. The introduction of the funding formula forced school boards to make very drastic cuts, particularly to the elementary panel.

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Another issue that this government has been concerned with and talked about at some length in public is the issue of school safety. Simply put, if you fund preparation time, you will be providing more teachers in schools. More adult eyes mean better supervision for students, which ultimately leads to their safety.

Our first recommendation, then, is that the student-focused funding formula be amended to fund 200 minutes of preparation time per week for elementary teachers.

Our second issue deals with class size. As I mentioned at the outset, certainly we applaud the primary cap of 20 per class, but we would caution the government that in implementing that, they take a real look at the impact on the junior and intermediate teachers and that they monitor actual class sizes and do not simply look at averages. Quite often, what can be captured in actual class sizes will indicate higher numbers than simply monitoring the averages.

Our second recommendation, then, is that actual class sizes in all elementary grades be monitored and reported on a yearly basis by school and by school board.

The next issue is an historic one and one, again, that for elementary teachers raises the question of respect. The student-focused funding formula was introduced in 1997, and there has been a gap in the funding for the foundation grant for elementary and secondary students. Currently the gap is \$811 per student. That simply means that for every student enrolled in a public elementary school, they receive \$811 less than for a secondary student in a publicly funded school.

If you look at the chart that we've included in our brief, you'll recognize that in virtually every category of the foundation grant, with the exception of teaching assistants, there is a difference. Again, those differences speak to the ability of teachers to work with young children, to provide them the educational foundation they need. When you talk about things like classroom supplies, we know that young children are most successful when they are given abundant manipulatives to learn such critical skills as math, yet the funding formula does not recognize that need for elementary students.

The issue of library and guidance is critical to the government's initiative in the area of literary initiatives. Without library and guidance counsellors in the school, it's the student who is shortchanged, so we would look to the government to address this. I'll quote a former Minister of Education who was asked this question; her name was Janet Ecker. She told us on more than one occasion that this was simply an historic anomaly. As such, it needs to be rectified. Certainly this government, in its commitment to primary education, has the opportunity to do that.

So our third recommendation is that the foundation grant for elementary students be increased to the same level as for secondary students.

Our fourth area has to do with the whole issue of the dramatic demographic shift that we're seeing in public schools in Ontario in terms of teachers. We know that we're approximately in the middle of that curve. We've moved from an aging population and we're beginning to see that teachers, particularly in the large urban boards around Toronto, are getting younger and have less experience. We also know, based upon the feedback of our members, that an incredible percentage of young teachers leave the profession. Estimates range as high as 30% of teachers leaving the profession in the first five years. When we talk to those teachers, many of the reasons they give can be linked back to such basic things as salary and the working conditions they find in the elementary schools.

One of the areas where the funding formula could be amended to do something at least in the area of salary would be the experience salary matrix. Currently, the matrix reflects an 11-year grid. No other profession has such a long probationary period to reach a maximum salary as teaching. If this matrix was shortened, it would begin to ensure that beginning teachers are compensated at a more reasonable level. That in itself would attract more people to the profession and certainly would give hope to those who enter the profession with substantial student debts.

Our fourth recommendation, then, is that the instructional salary matrix in the student-focused funding formula be systematically shortened by one step in each of the next three years to provide for improved beginning salaries for teachers.

In our brief, you'll also notice that we talk at some length about early child care initiatives. I want to speak briefly about those. The Liberal election platform promised to implement a full-day kindergarten. This announcement is a step forward in terms of providing school-based child care, but it's not kindergarten. We are looking to the government in the longer term to fund full-day kindergarten. It is likely the government opted for filling the balance of kindergarten with child care because it's using federal funds that must go to child care. The Liberals have not increased the provincial allocation for child care, and all new expenditures to date have come from federal funds.

We're concerned that some provinces will balk at implementing a program that targets funding only to non-

profit programs. We believe the government should look at the system that was adopted in Quebec, where they grandparented, over a period of 10 to 15 years, to phase out commercial operators. We think this would be a successful way of dealing with those pressures, when it comes to the private day care operators.

I've left more than enough time for questions, and I would be happy to answer any you might have.

The Chair: Thank you. This round of questioning will go to the government.

Mr. Wilkinson: Thank you for coming in. I just want to note that of course many of your members have come out to see us last week and this week, and we really appreciate that. As we've always said, the first thing we want to say is thank you for doing the work that you're doing. I know that we on our side of the aisle understand that teaching is a vocation, a calling, a special talent and innate ability you have that needs to be fostered.

Some of my questions will deal with some of the systemic problems we have. One of your groups, one of the ETFO—I think it was in Sudbury—was talking to us about how we're losing more and more male teachers in the elementary sector and how particularly difficult that is; it's changing the culture within the school. I think one of the suggestions was that we need mentoring.

What do we need to do to try to address that imbalance? I was just wondering if you might be able to give us a clear understanding of that problem, the challenges it presents and what we're doing to make sure that all new teachers, no matter what their gender, feel welcome and feel they could have a career in education.

Mr. Clegg: First of all, it is an important question, and certainly one this federation has spent time and effort to try to better understand. To give you some background, from our perspective, certainly part of our policy within our constitution is that we believe, frankly, that the public schools are a reflection of society as a whole. As such, those people who are in front of classrooms should mirror society as a whole. So the issue of declining males in front of classes, I think, is one that has to be dealt with.

But we would go beyond that. We would also include in that that there are many parts of our Ontario population that are not represented proportionally in our schools, particularly visible minorities. We think the issue of male teachers and the issue of other representative groups within our society have to be addressed.

Specifically on the issue of male teachers, when we've done work in terms of trying to understand why there's a declining number, certainly there are some basic ones that are common to why people go into the profession. Certainly the issue of salary comes up time and time again. We've tried to address that in general in our brief.

Beyond that, we've done some interesting work with high school students and their perceptions of elementary and secondary teachers and education in general. One of the things we found is that there are some biases in the minds of young males in secondary school in terms of the role of elementary teachers. We think that's a societal

bias and one that would be difficult to address, but we do think there are ways of doing that. Certainly the government, in terms of the issue of respect in general for the teaching profession, could begin to address that. I think the more that is done in terms of the elementary panel, in and of itself, will help students, as they see themselves move up, begin to understand the value that society places on education. That's something that I think was entirely lost in the last government's mandate. Students in schools could not see their education being valued, based upon the actions of the government. I think that is something that will take time to work its way through the system.

I believe this is a serious issue in Australia, and the government has actually intervened and put in place some programs to set some targets in terms of attracting male teachers into the profession. So it's not just an Ontario phenomenon. Unfortunately, it's a global phenomenon. It's societal in some respects, but there are areas where the government could help. One of the areas would be to look at the issue of admissions to the faculties of education. If it's deemed to be important, as I think you're suggesting, maybe there could be some type of financial aid for those underrepresented groups in the teaching population to make it more attractive. When you're considering the alternatives and considering the debt loads that students are coming out of university with, people are unfortunately being forced to make some decisions that are simply economic, and I think that's part of the problem.

The Chair: Thank you for your presentation this afternoon.

1510

ONTARIO COALITION FOR BETTER CHILD CARE

The Chair: I would ask the Ontario Coalition for Better Child Care to come forward, please.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your name for the purposes of Hansard.

Ms. Kira Heineck: Kira Heineck, executive director, Ontario Coalition for Better Child Care. Thank you for the opportunity to speak to you this afternoon; it's an honour and a pleasure. I can't think of a more demanding or difficult job than public service, and I commend everyone who takes it on. Congratulations. It's a pleasure to speak with you today.

Before I review our recommendations for the budget, I'd like to tell you just a little bit about who we are. The Ontario Coalition for Better Child Care brings together people from every corner of this province. We represent over 500 member groups and individuals, and we're very excited to have the Association of Early Childhood Educators in Ontario, also a very large, broad Ontario group representing those who work in child care, as our most recent new member.

We have cross-Ontario representation and reach deeply through segments of many different communities, including our chapter networks in Ottawa, Peterborough, Sudbury, Thunder Bay, Niagara region, Waterloo region, Windsor, Hamilton and, of course, our sister coalition in Toronto. We're over 20 years old, and our members have gone on to assume leadership roles in many important, influential places, including government, elected office, NGOs like the United Way and social planning councils across the province, academia and the labour movement. We bring together broad and seasoned experience from the front lines in policy development and implementation from sectors outside child care and, of course, parents. We're a coalition, which is important to remark on, because it's important that you know that we consult widely and work together until common cause is found around our core principles and what is required to achieve them.

I'm telling you all this today so that you can feel confident in trusting that our recommendations are based in a history of grounded and serious experience and expertise. It has always been our intent to advocate solutions for good public policy, and I proceed trusting that identifying and acting on sound public policy solutions is your intent as well.

The child care that we advocate for is a public service of early learning and care; it's not babysitting. It's early learning and care that meets the educational developmental needs of children, supports families and parents working and studying and caring for other family members, and is also delivered by a highly trained and well-supported workforce. Of course, the need for a child care strategy for Ontario has never been greater. You've heard from our local leadership on the precarious state of the current patchwork, so I won't touch on that now, in the interest of time, and of course it's outlined in our submission as well.

What this means is that instead of being a leader in developing a system of early learning and care that gives children a good start in life, Ontario is falling behind. But today, in January 2005, we are in a time of great opportunity for Ontario and for child care. Given the extraordinary timing of our discussion here today, just weeks before the next federal-provincial-territorial meeting on child care, taking place in Vancouver on February 11, it is paramount that I tell you that the child care community is counting on the Ontario government and its political leadership, which of course includes all of you, to take a proposal to this all-important meeting that contains the key components or bottom lines that will guarantee the agreement negotiated truly supports the development of a high-quality system of early learning and care. Not only is the success of a national system at stake, but so too are the details and shape of your budget.

We recognize the precarious situation that provinces and territories are in in terms of waiting for federal funding commitments, and we want you to know that our efforts include pressing the federal government for longer-term financial arrangements and more stable fund-

ing commitments so that planning in Ontario can proceed more confidently.

But now that child care is back on the provincial and national agendas, Ontario needs a funding and policy strategy aimed at putting in place an integrative, responsive and high-quality system. Supporting this strategy with commitments both to funding and policy in the upcoming 2005 budget is our first recommendation to you today.

This strategy must include the following components: Child care programs must be directly funded and the subsidy system must be eventually eliminated; expansion in the early learning and care system must be limited to the not-for-profit sector; commitments must be made to not replacing provincial child care spending with federal dollars; finally, funding support must be made available for the child care workforce through increased wages, benefits and improved working conditions.

The rationale for each of these components is clearly laid out in the submission and today I would just like to review a couple of those principles, again leaving it to you to further explore the principles you're interested in—I hope that's all of them—in the submission before you.

Let's talk about publicly funded for a second. Ontario's current subsidy system and market, by which we mean the user-pay model, has erected barriers to affordability and accessibility across the province. Only direct public funding of services, which is similar to the way we fund health care and education in the province, can provide the predictability and stability for program planning, service delivery and quality that's necessary.

Not-for-profit: I want to take a few minutes to be really clear about our position on this. I think it's important. The coalition and other child care community members are very clear that we're only talking about limiting expansion of the child care system to the not-for-profit sector. We support current for-profit operators, knowing that they have an important role to play in meeting the needs in their communities, and we would support their inclusion in the new system. It is only the expansion of child care programs that we believe is critical and must be limited to the not-for-profit sector. This is not about ideology but about quality outcomes based on the evidence.

It's also about accountability to taxpayers. That's an important reason why the not-for-profit system is superior. It can achieve higher outcomes for all the QUAD principles that Ontario has signed on to along with other provinces and territories: quality, universality, accessibility and developmental programming.

It follows the same logic as the Liberal government decision, much applauded across the province, to stop the tax credit for private schools. It also echoes the Liberal commitment to expansion in the not-for-profit sector only as part of the 1987 New Directions for Child Care, which stated, "The government is determined that future child care growth will be in the not-for-profit sector. Expansion of this sector is consistent with the move to recog-

nizing child care as a basic public service." That of course ties into our first principle, that child care should be a directly funded public service.

The other principles that are important to us are universality, inclusivity and high quality. Again, I'll leave the details of that to your reading of our submission.

I want to conclude by summarizing our recommendations for the budget.

The time has come to implement changes that will transform the fragile patchwork that currently exists in our services into a coherent and comprehensive system. The budget in May is the first step.

Our second recommendation is to begin the phase-in of direct funding in the May budget. We recommend the following targets for entitlement to universal services: beginning with five-year-olds in year one, which would be this year, four-year-olds in year two, which would be 2006 and so on until universal access is achieved for all children down to the age of zero. The expansion of this new system of directly funded child care services must be limited to the not-for-profit sector only.

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Our third recommendation: Use available federal dollars—that's the early childhood development initiative, commonly known as the ECDI—and the multilateral framework agreement and increase provincial investments.

We anticipate the federal dollars under the ECDI will be annualized, and if so, our recommendation is to designate the majority of these funds to regulated, not-for-profit child care. That, by the way, also fulfills another election promise. So designate 100% of the \$87-million multilateral dollars that are coming in 2005-06 to regulated, not-for-profit child care.

Reinstate the \$160 million cut from our annual budget during the Tory years.

The Vice-Chair: You have one more minute.

Ms. Heineck: That's hopefully about all I need. Thank you.

Our third recommendation is to move to 100% provincial funding of child care to eliminate the pressures that come to bear on many municipalities in matching their dollars.

Our final recommendation is that you do all you can to support your colleagues in government, the minister and the Premier, in committing to the principles behind these recommendations and taking them to next month's federal, provincial and territorial meeting. We have a fine minister in Dr. Bountrogianni and we want to find every way to support her.

We lay this at your feet today, because as members of this committee, you have an important role to play in laying the groundwork through funding commitments, both in dollars and their direction, and in carrying this message into the process and discussions that will shape these negotiations and also the details of the Ontario plan for child care in Ontario. Thank you very much.

The Vice-Chair: Thank you for your presentation. We have five minutes of questioning. That will be Mr. Jackson from the Progressive Conservative Party.

Mr. Jackson: Kira, thank you for your presentation. I was madly trying to read it because you must have said 15 times, "You'll catch all that in the brief."

You closed by saying, "We want to do all we can to support Mrs. Bountrogianni," and that's laudable. I'm going to ask you in that context, because both my colleague Ms. Martel and I had the opportunity in this same room—and the minister was where you are right now—as we discussed the government's current commitment to child care as it squares with their election promises. I guess the first one I want to ask is, do you support the minister's position to invest the current federal transfer dollars of about \$180 million into the programs that both the Conservatives were funding for several years and that now the Liberal government is funding in its first and second years?

Ms. Heineck: I might ask you, respectfully, to be a bit more specific about what those programs might be. Do you mean the dollars that did not go into child care but went into other related services?

Mr. Jackson: The political phrase was that not a penny of this went into child care. Of course, that would be rather misleading, because the money went into the early years centres; it went into child development programs; it found its way into speech-language support services for children, in and outside of a daycare setting. But the point I'm getting at is, does your organization support Minister Bountrogianni's continuing that current process, which was railed against by her in opposition but now seems quite acceptable for her as the minister to continue the same funding envelope with the same dollars, with the same dollars you're familiar with that are transferred from the federal government for early childhood education purposes?

Ms. Heineck: Our position, I believe, has been consistent since the ECEDI dollars first started flowing that were not allocated to actual child care programs. They did go to useful programs that support children's development but very clearly did not go into creating one child care space or supporting one actual child care space. We do not support a continuation of that policy. That's why one of our recommendations calls for the majority of new dollars to actually go into child care. I believe there are also other opportunities, given the new federal-provincial-territorial plan and federal dollars available, to increase funding for those other areas.

Mr. Jackson: So you don't support the minister's decision to continue the funding arrangement under the previous Conservative government, for the record.

Let me ask you another question. On page 13, you reference expanding the existing child care centres for, in particular, the zero-to-three cohort of children. Then you talk about integrating Ontario early years centres into new child care services in some communities that would become hubs and so on and so forth. So you support the presence of these in our communities and you support the

programs, but could you share with me how we might integrate them? I share your concern about how they're better integrated. I happen to believe strongly that they belong in schools, as you do.

Ms. Heineck: Yes. If I understand the question, clearly you're asking how we would see implementation of a more integrated hub model of services for children.

Mr. Jackson: You make the statement on page 13 of your brief. It isn't fleshed out. I just wondered what you might—

Ms. Heineck: OK—how we would see it happening. We would envision a community-based, community-driven planning team that would be put together with representatives of the community and those in each service, including child care, of course, to work together to best meet the needs of their community. In some areas, those integrated services would take place in or around schools. In other communities, especially in rural areas, it doesn't always make a heck of a lot of sense, and then we would support their taking place in other buildings or locations. The Ontario early years centres in some places could be ideal for that. What's most important, though, is that the services be delivered in a way that meets all the needs of families and children, and of course the central service there would be child care.

The Vice-Chair: Thank you for the presentation. The time for questions is up.

ONTARIO HEALTH COALITION

The Vice-Chair: We will now have the next presentation, the Ontario Health Coalition.

You may begin your presentation. You have 10 minutes. First state your name for the purposes of recording Hansard.

Ms. Natalie Mehra: My name is Natalie Mehra. I'm the provincial coordinator of the Ontario Health Coalition. The Ontario Health Coalition represents 400 organizations and thousands of individuals who are committed to protecting and enhancing a universal, one-tier public health system. We also include over 50 local coalitions in cities across the province. Like the Ontario Coalition for Better Child Care, we engage actively in consultation with all our member groups regarding our policy positions, so the positions we're expressing today are reflective of our broad membership.

Because of the time, we thought we wouldn't echo many of the concerns you would have heard from health provider and health worker organizations through the course of these hearings, but focus on just one or two issues. On the way to that, we'd like to reiterate the concerns we are sure you've heard from others about the budget cuts for hospitals and layoffs in hospitals, and about the funding requirements across the health care sector. But today we would like to focus specifically on the P3 hospital program, which we have reason to believe will be introduced in part at least as a budget measure, and also on home care.

In our meetings with government officials, we have become increasingly concerned that evidence regarding the high costs of P3 privatized hospitals is not being taken seriously or even considered; that it's being ignored, actually, in favour of an overly rosy picture being painted by industry lobbyists. We urge your committee strongly to look more closely at the international evidence and the evidence in Canada about the consequences of these projects. Overwhelmingly, the evidence shows that P3s do not transfer as much risk to private companies as originally believed. In fact, under the new accounting rules for risk transfer in Britain, none of the first wave of British P3 hospitals, which were conducted under the old accounting rules, would have shown value for money—not one of them.

Moreover, the P3 hospitals around the world are actually plagued with serious problems: design flaws, including buildings on lands that are overdeveloped and designed to meet the needs of the companies, not of patients or staff; inflexible contracts that fix costs for management and service contracts over an entire generation and have exacerbated difficulties for hospitals as they face higher demand than projected; insurmountable management problems due to complex lease structures and bifurcated management structures; exorbitant legal, administrative, consultant and transaction costs that are unnecessary but for the P3s; large increases in costs over the duration of the negotiation of the contracts; unprecedented profit-taking by the construction and financial companies; exorbitant user fees and an array of new service charges—you should know that in Britain now, parking for staff in hospitals ranges from \$25 to \$30 a day, and for a television for a week it costs for a patient over \$60—technology contracts that have gone awry; the privatization of public lands without accounting for opportunity cost; scandalous land deals; a spate of ceiling cave-ins and other disasters as a result of shoddy construction; companies that have gone under or closed down, leaving the public paying twice for the hospital; high rates of fatal hospital-based infections that are killing patients.

1530

In fiscal year 2003-04, the government approved transfers to the William Osler Health Centre in Brampton to cover the cost of financing their \$550-million capital project, a P3 project. If there has been an analysis of the cost of continuing that project versus the cost of cancelling that project, we are not aware of it and have not been able to find it. Despite repeated claims by officials in the Ministry of Public Infrastructure Renewal that P3 projects come in on time and within budget, the projected cost for the Brampton P3 hospital rose from \$350 million at the beginning of the lease negotiations to \$550 million at the end of the lease negotiations. In addition to the capital portion, the Brampton deal includes a complex service privatization deal that will last for 25 years and rolls in all of the hospital services. In addition to that, the land is privatized for the duration of the contract.

The people of Ontario will pay approximately \$100 million per year for 27 years for that hospital project. Despite that, nobody here could answer what the health system, let alone the hospital system, will look like in 27 years and what our health care needs will be. Yet we're bound into a rather rigid, inflexible contract for that long duration. The total cost of the William Osler P3 deal is \$3 billion in taxpayers' money, and yet taxpayers are not allowed to access the financial deal or access any tax information about the deal, even though we're paying for it.

I should tell you that the comparator of the costs for borrowing for the private sector compared to the public sector is that this deal is approximately 1% higher in borrowing costs. That totals \$300 million over the course of the contract, or \$174 million in net present value. What that means for our health system is this: It's just over 10% of the entire home care budget for the province. It's more than the government gave in home care last year as an increase—you gave a major 8% increase in home care last year. There is no way to redevelop hospitals across the province with this kind of additional expense. What you will compromise is the whole plan to move care into the community, to modernize the health system and other community care supports.

There are other options. We have provided several ideas to your ministry and to all of cabinet in a paper we produced on options for public finance for hospitals. One of them we'd like to highlight.

Historically, hospitals in Canada have been paid for through a national health grants program in which the federal program provided dollars, provided that the provinces matched them equally to build hospitals. It built about 90% of the hospital capital stock in the country. These 50-cent dollars were incredibly popular with the provinces, and by the end of the program, the majority of our hospital capital stock was built. This program worked to build hospitals publicly, maintain public control over infrastructure and maintain the principle of not-for-profit delivery of services. We are asking your government to use your influence to get a national infrastructure plan on the agenda to provide this funding for hospitals.

Just a few quick other points and then I'll turn it over to Ethel.

Delisting: Again, we opposed the delisting in the last budget. We believe it's regressive and should be reversed.

The Vice-Chair: You have one more minute.

Ms. Mehra: Oh, sorry; go ahead, Ethel.

Ms. Ethel Meade: I have one minute? I might as well not. Go ahead.

Mr. Wilkinson: Mr. Chair, I believe the rotation goes to us. We'd be more than happy to listen to Ethel and give up some of our time for the question so they have an opportunity to express themselves.

Ms. Meade: OK? My name is Ethel Meade, and I am the community co-chair of the Ontario Health Coalition. I, of course, support everything that our coordinator,

Natalie, has said, but I want to focus on one particular aspect of health care spending, and that is supportive home care.

I speak as a representative of Care Watch Toronto, which is an affiliate of the Ontario Health Coalition. It is a network of individuals and organizations focused on improving the quality of life for persons receiving in-home care. We're concerned with other aspects of our health care system, especially as they impact on seniors, on those managing chronic illnesses and on those coping with age-related or other disabilities.

Despite the loud cries from current and past Ontario governments, from the Fraser Institute, the C.D. Howe Institute and the Globe and Mail's Jeffrey Simpson, we remain unconvinced that Canada's and our province's health care system is facing a huge financial crisis. When health care costs are measured as they should be, as a percentage of our gross domestic product, anyone can see that what we spend on health care has increased only marginally and is by no means out of line with what is being spent in other industrialized countries. The exception, of course, remains our neighbours to the south, who spend so much more and still leave so many people without care at all.

While we want to congratulate the government and its Ministry of Health for their efforts to improve conditions in long-term-care homes and to reform the delivery of primary care, we have yet to see any sign that community care access centres and community support agencies that deliver in-home care are to be financed adequately for their double role. For many years, health ministers have seen home care's first and most highly prized function as enabling post-acute patients to recover safely at home, thereby reducing hospital costs. But their second, and what we consider equally important, role is to provide supportive care to the elderly and the chronically ill or disabled so that they can remain in their own homes as long as possible, thereby reducing their need for more expensive health care, such as visits to physicians, episodes in acute care, and admissions to long-term-care homes. As long as seniors and others needing supportive care have to compete with the very sick patients being discharged from hospitals, seniors will continue to get the short end of the stick. It remains difficult to understand why governments see so clearly the cost-effectiveness of post-hospital home care but seem to remain blind to the cost-effectiveness of supportive care for those with age-related and other functional deficits.

Dr. Marcus Hollander's study for Health Canada of the cost-effectiveness of home care has been available since early 2002, without apparently affecting this blindness at all. Dr. Hollander's report, *The Third Way: A Framework for Organizing Health Related Services for Individuals with Ongoing Needs and their Families*, has no relation, of course, to Premier Klein's current musings. The Hollander report puts forward a thoughtful definition of what he calls "continuing community care." He defines the population groups whose needs such care should meet. The groups are seniors, adults with dis-

abilities, adults with mental health problems, and children with special needs. At the end of the report, he suggests two other groups whose needs might be similar: adults with addiction problems and HIV/AIDS patients.

To differentiate continuing community care from other segments of health care, the report elaborates on the difference between care and cure. The curative model is a biomedical model, the goal of which is to cure some disease or restore function to a limb or an organ injured in an accident. Such needs are met by doctors, nurses and rehabilitation therapists, who focus on the specific medical condition. Their relationship to the patient is professional; that is, it focuses on the expertise of the care provider. Anyone may need such acute specialized care at any time, but the need is acute and short-term.

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The care model, on the other hand, is supportive and oriented toward psycho-social needs, and its goals are to provide services that reduce the rate of decline, support independence and provide the best quality of life possible. It assists people with long-term functional deficits to deal with their physical and social environment in as normal a way as possible. Such needs are met by nurses and other health professionals, but also by social workers and homemaking personal support workers who focus on the whole person and his or her environment.

Supportive care is holistic and client-centred. It respects the expertise of the client and family in regard to the client's needs.

The Vice-Chair: Unfortunately, we've used up the question time as well.

Ms. Meade: I have one paragraph, OK?

We hope that Mr Sorbara and this committee will take account of Dr. Hollander's valuable and comprehensive national evaluation of the cost-effectiveness of home care, which involved research at universities across the country over a period of several years. We are stressing cost-effectiveness because that sometimes seems the only aspect of any subject that finance ministers and budget-makers can hear, but we must reiterate in closing that we find it impossible to believe that, given the new federal funding and the proceeds of the health premium, given these realities, there is not enough money to invest in substantially increased supportive home care, especially now that its cost-effectiveness over a three-year period has been incontrovertibly established. Thank you.

The Vice-Chair: Thank you both for your presentation. That ends it, as the question time is used up.

UNITED WAYS OF ONTARIO

The Vice-Chair: The next delegation is the United Ways of the greater Toronto area.

Thank you very much for being here. You have 10 minutes to make your presentation. There will be five minutes then for questions, which will go to the official opposition. You may begin, and state your name for the purpose of recording Hansard.

Ms. Shelley White: My name is Shelley White and I'm the CEO of the United Way of Peel region. Joining me today is Bill Morris, manager of government relations for the United Ways of Ontario. I'm here today representing the United Ways in the greater Toronto area, particularly those outside Toronto in what has become known as the 905. First, let me thank the committee for the opportunity to appear before you today and make our views known with respect to the upcoming provincial budget.

Communities in the 905 area share many of the same characteristics and witness similar social and demographic trends. Our communities are part of Canada's largest economic region and commuter shed. All of us are experiencing significant population growth and urbanization. Despite our collective reputation for growth and affluent new neighbourhoods, we also struggle with a wide range of unmet social needs and unfortunately have a considerable number of households living in poverty.

As United Ways, our mission is to improve lives and build community by engaging individuals and mobilizing collective action. United Way is Canada's largest federated charity. Our annual fall fundraising campaigns are currently wrapping up. We are very proud of our fundraising achievements and extremely grateful for the generosity of United Way donors.

It's important to put our relative fundraising ability into context, particularly compared to the taxing power of government. Last year, Ontario's 46 United Ways raised just under \$200 million, while the province had revenues of nearly \$80 billion. Put another way, the province receives \$400 for every dollar we are able to raise. The 905 United Ways collectively raised a little more than \$23 million last year. Those dollars support the work of 200 separate community-based agencies and the vulnerable children, youth, adults, seniors and families they serve.

In many cases, we work collaboratively with various levels of government. Our close proximity to the community allows us to recognize emerging problems early and to quickly respond with innovative programs and solutions, as was the case with the introduction of rent banks, which have proven effective in preventing people who fall behind on their rent from being evicted and descending into a further cycle of homelessness.

Quite often, however, these initiatives require partnerships with government, because the scale of need is more than our resources can address or because government's participation complements our effectiveness. I'd like to highlight three initiatives on which Ontario United Ways are eager to collaborate with the province, but let me first start with a brief story that illustrates why these initiatives are needed, and their value.

On Christmas Eve last year, a man came into our office. He was desperate and didn't know where to turn. He was new to the community, having come from northern Ontario hoping to improve his employment skills and find work. However, after paying his first and last month's rent, he had no money left for transit or

food. The good news is that my staff were able to help him locate an emergency food program and an agency that could provide him with bus tickets so he could get the food and continue to attend his training. We also dipped into our own pockets to help him get through the holidays. But even though we are better plugged into the social service network than many, it still required more than two hours to find agencies that were open and could provide the assistance needed. What this person needed was affordable housing and an effective way of finding the programs and services he needed to get through a difficult period in his life.

The waiting list for subsidized housing in the 905 exceeds 30,000 households. Those who apply today can expect to wait seven to 10 years. The high cost of housing currently places a huge strain on community infrastructure and programs. We believe the province needs to make significant investment in proven strategies aimed at alleviating the housing needs of vulnerable and low-income Ontarians.

The first priority should be funding for rent supplements. This would provide immediate relief for households now on the waiting list for subsidized housing and go a long way to stabilizing the lives of people struggling to make ends meet. The provision of rent supplements can also help people who are currently homeless, by addressing their number one challenge: affordability. One only needs to look at the former residents of Toronto's tent city and the incredible success rate and transformative impact that rent supplements had in getting people off the streets and helping them to rebuild lives.

The province has, thus far, failed to match the federal funding under the existing affordable housing initiative. As a result, the housing created through this initiative is not available to those who need it the most. We would recommend that the province fully match the federal funding through the provision of rent supplements.

Second is energy assistance. On a related topic, the rapidly increasing cost of gas and electricity is becoming a major problem for low-income households and people on fixed incomes. These costs are increasingly resulting in service interruptions and eviction.

We have partnered with Enbridge to put in place an emergency assistance program for households who have exhausted all other channels of assistance, but it's a modest initiative relative to the scale of need, as is the initiative included in last year's budget. A more comprehensive approach is required to protect low-income and vulnerable households from increasing costs of energy. In the U.S., a number of jurisdictions have in recent years introduced broad-based low-income energy assistance programs using either tax credits or direct assistance. We believe the province should examine the experience and effectiveness of such programs with a goal of replicating or adapting the best of these in Ontario.

Third, finding services and programs: The United Way is leading efforts in North America to revolutionize the way people connect with the services and programs they need. Through our efforts, the three-digit dialling code

211 has been designated for public access to social, health and government services, both in Canada and the U.S. Like 911, 211 is an easy-to-recall number that provides fast access to a broad menu of information and streams calls to the right place. Right now, people looking for social, health and government services make, on average, seven calls before finding what they need or giving up the search. All these errant calls result in a huge, unnecessary cost to government and community-based agencies and are a source of tremendous frustration to citizens seeking information and services.

Since June 2002, 211 has been operating 24 hours a day, seven days a week in Toronto. Multilingual operators answer more than 1,000 calls per day. Eighty per cent of the calls are answered in less than 20 seconds, and follow-up surveys indicate that more than 90% of callers successfully find the programs and services they need. More than 50,000 people visit www.211Toronto.ca monthly. Many are social service and health professionals working with clients, and others are people who prefer the self-help approach of a Web-based 211 service. In the U.S., more than 100 million Americans now have access to 211. The rapid growth of 211 in the U.S. is a result of the willingness of government to partner with the United Way in its implementation.

United Ways in Ontario have a plan for full, province-wide 211 service. The 905-area United Ways are actively working with 211Toronto on a plan to expand the service to Peel, York and Durham. We are prepared to make significant investments to bring this to reality but need to partner with government to do so.

The province, as the level of government with primary responsibility for social and health services, is a natural partner. As such, the province is also the level of government that stands to reap the most savings that moving to a 211 system offers. A soon-to-be-released cost-benefit study by the Lyndon B. Johnson School of Public Affairs at the University of Texas concludes that each dollar invested in 211 yields a benefit to society of more than \$2.50.

Thank you for your attention this afternoon. I'd welcome any questions the committee might have.

The Chair: Thank you very much. Your timing is very good. We'll move to the official opposition.

Mr. Jackson: Welcome, Shelley. It's good to see you again. And thank you for being here, Bill.

I'd like to expand a bit on 211. I know Halton region has been looking at it. It's interesting: I was at a meeting and the police were there, and they hadn't heard anything about it. So it's just really catching on.

I'm intrigued by the notion that the United Way would manage it. Are you suggesting that your offices can facilitate the directing? Would you act as the terminus to circuit the calls—you'd have a computerized database and you could refer people? Is that essentially how it would operate in the U.S.? I know that Halton region is developing it here, not the United Way.

Mr. Bill Morris: Very quickly, we see ourselves as funders, not operators, of the service and see ourselves as

the promoters working with the community-based information referral sector and municipalities in terms of provision.

I'd just say, interestingly, that in Halton we meet in the regional police headquarters, in terms of our 211 meetings, so I'm a little surprised at their lack of knowledge because they've also had representatives on the committee.

The idea is that we put in place a significant database of services and programs that is constantly checked and professionally managed. Here in Toronto, that means that the 211 database used by the operators allows those operators to have access to more than 20,000 different services and programs offered by more than 4,000 agencies. What we attempt to do is assess callers' needs and stream them to the right place for their needs.

In doing so, we are often able, because we're in the business of doing this all the time—and I'm saying "we" in terms of our partners that actually deliver the service—to get a very good feel for the delivery capacity that's out there and help people navigate around bottlenecks. We understand eligibility requirements. We attempt to stream people not just to the best available services for them but to the ones we know are most likely to be available for them.

Mr. Jackson: I like the principle, because, as you know, more and more regional governments are getting involved in health-related issues through their departments of public health. We had an earlier deputant who talked about coordinating children's services. Of course, the best place to be doing that is at the regional level because it's a focal point for case management.

Maybe I could shift the questioning, because I'm not going to have very much time, to ask you a more general question. If we take the microscope up and talk about the change in how the United Ways have reacted to the changing needs in the 905 for the dollars that you have, which are very limited and very precious, right? You never in any given year have been able to fund everything that's been asked of you, and we know that. My question is really, how have you seen that change in the last few years, in terms of where there's a larger demand for your funding because it backfills for government in some instances, but in a lot of cases, as all of us are aware, you're the sole funder, save and except individual fundraising, so there would be no government partner if it weren't for the United Way. That's a very difficult position to be put in.

Ms. White: We've approached that in a few ways. One is that we're working very closely with other funders in our community. In Peel, for example, we've established what we call a funders' consortium, where we have the region of Peel, the municipalities, the Trillium Foundation, the Maytree Foundation, the United Way, HRSD, the Ministry of Community and Social Services and the Ministry of Children and Youth Services all at the table together looking at what the needs are in the community and determining how best we can work together as funders to meet those needs. That's one way.

Second, we have a program through our community-building line of service called strengthening organizational effectiveness, where we're working with agencies to help them develop their own revenue-generation capacity as well.

Those are two methods, and then certainly the United Way is looking at how we can work more effectively

with our communities and attract more donors so we can generate more revenue as well.

Mr. Jackson: Thank you very much.

The Chair: Thank you for your submission this afternoon.

This committee is adjourned.

The committee adjourned at 1556.

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**Standing committee on
finance and economic affairs**

Pre-budget consultations

**Comité permanent des finances
et des affaires économiques**

Consultations prébudgétaires



Chair: Pat Hoy
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Thursday 20 January 2005

Jeudi 20 janvier 2005

The committee met at 0900 in the Le Gala Banquet Hall, Whitby.

PRE-BUDGET CONSULTATIONS

The Chair (Mr. Pat Hoy): The standing committee on finance and economic affairs will now please come to order.

Mr. Jim Flaherty (Whitby–Ajax): On a point of order, Mr. Chair: I just want to welcome members of the committee and you, and the Legislative Assembly staff, to Whitby. According to the records of the legislative library, this is the first time in history that a committee of the Legislative Assembly of Ontario has met in Whitby, despite the fact that Whitby is celebrating its 150th anniversary, its sesquicentennial, this year, having been incorporated as a town in 1855 and made the county town of the county of Ontario in 1852, well before Confederation. So I say, welcome to everybody.

Of course, the other important fact that we all need to remember is that Whitby showed the world how to play hockey in 1958, when the Whitby Dunlops won the world hockey championship in Oslo, Norway. So welcome, everyone. Thank you for being here today.

The Chair: Thank you very much. It is not a point of order, but it certainly is a point of interest. Indeed, the committee is pleased to be here in Whitby this morning.

CENTRE FOR ADDICTION
AND MENTAL HEALTH

The Chair: I would call on our first presenter, the Centre for Addiction and Mental Health, to please come forward.

Mr. Glenn Thompson: Mr. Chair, there are three of us here.

The Chair: I have some introductory remarks I give to each presenter. First of all, you have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard. You may begin.

Mr. Thompson: My name is Glenn Thompson. I'm the chief executive officer of the Canadian Mental Health Association, Ontario.

Ms. Joanne Campbell: I'm Joanne Campbell, vice-president, community relations, at the Centre for Addiction and Mental Health.

Ms. Nancy Bradley: I'm Nancy Bradley, executive director of the Jean Tweed Centre, located in Toronto.

Mr. Thompson: Mr. Chair, can I just say that the Centre for Addiction and Mental Health, some of you will recollect, was created a few years ago as a result of the convergence of four centres, including the Addiction Research Foundation, the Clarke Institute of Psychiatry, the Queen Street Mental Health Centre and another organization that was in the treatment of addictions area. The Jean Tweed Centre is making a major contribution in service delivery to women and their families with substance abuse problems. The Canadian Mental Health Association: Since we've been around since 1918, many of you probably know us as advocacy, public education and service delivery folks across the province.

Let me set out, first of all, why we think that the committee will be interested in actions needed from a budgetary point of view in the mental health and addictions area. Some of the statistics, I think, will be quite moving to you, as they move us each day in our work: 20% of the general population suffers from a mental illness or addiction problem in their lifetime; 3% suffer profound suffering and persistent disablement. The impact of these statistics is staggering: One out of every eight Canadians will be hospitalized for mental illness at least once in their life, more than are hospitalized for cancer and heart disease. One out of every 10 Canadians aged 15 and over reported symptoms which indicated alcohol or illicit drug dependence. At the moment, then, over 1.5 million Canadians are experiencing clinical depression, a disorder that affects 10% to 15% of Canadians at some point in their lives.

Left undiagnosed or untreated, mental health and addiction problems cause large productivity issues for Ontario society as well. They've been estimated as being amongst the most costly of all health problems for service providers, taxpayers, employers and insurers. Health Canada has reported that lost productivity due to workers being on disability or due to premature death cost more than \$8 billion in 1998 and that mental health disorders were the third-largest source of direct health care costs, at \$4.7 billion. The Addiction Research Foundation, now part of the Centre for Addiction and Mental Health, as I mentioned, has shown that in 1996 the cost of substance abuse to the economy was over \$7 billion.

In addition, there's a fundamental connection between physical health, mental health and addictions

that we should not ignore. According to my own association, 43% of adults suffer adverse health effects from stress, and stress is linked to six leading causes of death: heart disease, cancer, lung ailments, accidents, cirrhosis of the liver and suicide. Health Canada has found that over 30% of lifetime users of illicit drugs other than cannabis report harm to their physical health arising from drug abuse. Some of you will have seen related stories in this morning's paper.

Clearly, providing services that support people living with addictions and mental illness, promote recovery and reduce the episodes of illness is fundamental to the development of a full-spectrum health care system, one that addresses the needs of all Ontarians in all aspects of their lives.

In the 2004-05 budget, we began to see some funding begin to flow after many years of this area being marginalized within the health care system, and that money was desperately needed indeed. However, we'd like to tell you that there's a great deal left to be accomplished.

In 2004-05, the provincial government committed to investing a total of \$463 million in this field, with \$65 million comprising new investment, and a further commitment to grow the total investment to \$583 million by 2007-08. At this time, we understand that approximately \$35 million of the \$65 million is committed in new funding this year and has flowed to mental health and addictions agencies, and we're confident that the much-needed continued investment will carry on. We believe that as a committee you'll see the value in recommending that the government uphold the outstanding commitment to correct the long-standing neglect of communities in Ontario that we serve and that addictions services also become a key part of that commitment. Addictions programs were not included in the 2004-05 commitment. It's essential that the annualized base funding increase be extended to addictions services as well. Therefore, we'd strongly urge that specific funding be provided for services and supports for people with addictions.

We also propose that the existing funding for the mental health and addictions sector be protected; some people call it ring fencing. Over the years, we've been very concerned that when some of these monies have flowed out to various sectors, they seemed to vanish into other areas down the hall. So investment in the community-based sector will help to control the costs of other services and create a true continuum of care from hospital to community. We feel that funding these services is both a fiscal and a moral imperative.

Now Joanne Campbell is going to take you through some of the quite specific recommendations that we have.

Ms. Campbell: I'd like to start by saying that we're very encouraged by the government's commitment to transforming the health system to create a better continuum from community through to hospital, because we believe that that continuum, particularly in

the lives of people with mental health and addiction issues, is terribly important. Consumers of mental health and addictions services and their families must be at the centre of that reform and transformation. People with mental illness and addictions have important experience and knowledge that's critical to understanding illness, treatment and care. Because people with mental illness and addictions are particularly vulnerable, it's important that mechanisms for consumer decision-making, choice and participation be protected. So we strongly recommend that the government provide consumers and families with the supports they need to participate in the health reform initiatives.

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Diversity is a critical feature of Canadian society, and addiction and mental health services and strategies must respond effectively to the different needs of all clients and stakeholders. Ontarians from diverse backgrounds and with diverse experiences must be able to fully access and participate in mental health and addiction planning and service delivery.

Access to appropriate addiction and mental health services in rural and remote communities needs to be improved as well. Issues such as transportation to services, staffing, access to technology and availability of primary care pose unique challenges for rural and remote communities. The specific needs of these communities are often overlooked. Unlike with other illnesses, people live with mental health and addiction illnesses over long periods of time. Therefore access to ongoing services and the availability of those services, and the cultural context in which people receive those services, are fundamental to people's recovery. A continuum of services and supports from community-based to hospital care must be available.

As the tertiary care facility in the system, the Centre for Addiction and Mental Health strongly believes, as do our partners here, that there must be continued investment in community-based services to ensure that there is capacity in the system to reduce hospitalization and meet people's needs in the community, especially with an increased emphasis on addiction providers.

Government efforts to strengthen the continuum of addiction and mental health services should be targeted to increasing funding, including base budget supports, to community-based services so that people have access to a greater range of services for treatment, recovery and prevention, and that those services are maintained as the health care system is transformed; and peer support services and consumer-run initiatives whose outcomes indicate the importance of their role.

The Chair: You have about a minute left in your presentation.

Ms. Campbell: OK.

Our brief talks about homelessness, which is prominent in the Toronto news these days. In that brief we've given some of our suggestions around the connection between homelessness and mental health and addiction issues. You will recall that the Golden report a

number of years ago stated that approximately 35% of people who are homeless suffer from mental health and addiction issues. So the connection to those issues and the supports are necessary.

The other thing the Golden report focused on, which the Centre for Addiction and Mental Health was in many ways created to enhance, is treatment for people with concurrent disorders, people who suffer from a mental health issue and an addiction issue. I won't go into the details we've given you, but again, the co-morbidity is a hugely important issue and we must have programs that treat people with both mental health and addiction issues.

The Chair: We should move to our questioning now.

Ms. Campbell: OK. Thank you.

The Chair: The questions in this rotation will go to the official opposition.

Mr. John O'Toole (Durham): Thank you very much for your presentation. It is the first presentation that I recall, from sitting on this committee, representing the needs of mental health victims and the providers of the service.

This may not be directly related to you, but indirectly: the divestment of the Whitby Mental Health Centre, which was part of a report when we were government: What kind of impact would that have, not just on this community but for the delivery of health care and the funding that may flow into community mental health?

Ms. Campbell: The experience of the Centre for Addiction and Mental Health is that of a divested provincial psychiatric hospital. The Queen Street Mental Health Centre was a provincial psychiatric hospital. We believe very strongly that the system has been improved and the delivery of care has been enhanced by virtue of bringing a mental health facility into the broader health community and reinforcing its role as a public hospital. I think in the end the links to community through a board that's accountable back to those communities, the enhanced volunteer participation through our board, through our governance structure, in our organization have made us a stronger institution. It's forced us in many ways to look more carefully at how we are a part of a broader mental health and addiction system—and a broader health system—rather than something that sits outside the network of public hospitals. We strongly support it, and we believe that it enhances links to communities and to community-based resources.

Mr. O'Toole: You would know that Jean Achmatowicz-MacLeod was chair of the committee that made those recommendations to the government in their divestment proposals. The one for Whitby has been delayed for a number of years, and I'm not sure what its status is right now; I apologize for that. I see it as putting more and more pressure on Lakeridge Health, which is our board here representing the hospitals. The provision of services within the regular hospital structure will be a challenge when in fact they already have serious challenges in delivering services, not just in institutions or facilities but in the community itself. Would you like to comment on that? That's the concern I have. Lakeridge is

already suffering, I think, about a \$10-million operating deficit and, as such, providing additional services without additional supports of money might be problematic.

Ms. Campbell: It's difficult for me to comment on Whitby and Lakeridge, which, frankly, I'm not terribly familiar with. However, I think that one of the things we've tried to do at the Centre for Addiction and Mental Health, for instance, is to better integrate the tertiary care facilities that a place such as ours provides with the hospitals in the area. We're in a process now of working with downtown hospitals in Toronto to have a network of emergency services, for instance, where we will collaborate much more closely as the tertiary facility with downtown hospitals so that the pressure on the general hospital is reduced by virtue of the role we play with those hospitals.

I think that, hospital to hospital, those kinds of negotiations can happen. We can better do what we can do, the community-based service can do what it can do and the general hospitals in communities can play their role more effectively. We actually believe, as a tertiary care facility, that with those networks, those links to other hospitals where we can improve how we work together, there's a possibility to enhance that in this community so that you don't have people sitting in emergency rooms who have mental health or addiction issues when you have heart failure and the more immediate, acutely ill people there. The mental health and addictions people seem to be pushed aside in those circumstances, and it's a big problem.

Mr. O'Toole: That's right. I tend to agree.

The Chair: Thank you for your presentation this morning.

KEVIN McALLISTER

The Chair: I would ask Kevin McAllister to come forward, please.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard. You may begin.

Dr. Kevin McAllister: Good morning. My name is Kevin McAllister. I'm not here representing any organization. I was looking at the list today, and there seems to be quite an official group that is here. I'm actually a chiropractor from Oshawa, Ontario, and what I'd like to represent today is my patients.

The reason I'm here today is that I'm very concerned about the delivery of health care in Ontario. I'm not here to talk about the delisting of chiropractic services; I feel that would be self-serving. But what I am concerned about is the delisting and the inability of chiropractors to requisition X-rays and diagnostic testing for patients. The issue of delisting non-essential health services, as chiropractors have been included in that with physiotherapy and optometry, is something that's already been dealt with. What's happened as an offshoot of that is that up until recently, chiropractors have been able to requisition

and get X-rays and tests done at hospitals in Ontario. Since the delisting issue has come up, that has been denied to chiropractors and chiropractic patients. I feel that this is an essential issue in diagnosis.

I'd like to just tell a story about a case that happened in my office and what really prompted me to come and speak to you today. There was a patient who presented to us in December, actually last month. The patient presented with low back pain with leg radiation. We evaluated the patient. We did a careful examination, and we determined that the patient needed X-rays and further testing. We went to refer the patient back to their family physician. The family physician is one of those physicians in Oshawa who is overburdened with patients. Between 30,000 and 35,000 people in the Durham region don't have a family physician.

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Subsequently, the patient was not seen by their physician but was sent to urgent care at the Oshawa Clinic. The Oshawa Clinic doctor who examined the patient spent less than five minutes with the patient and determined the patient did not need an X-ray, any further evaluation or any further testing.

The patient continued to suffer from pain and problems and called me at home on December 26, Boxing Day. I talked to the patient for approximately half an hour on the phone. The patient was told to call Telehealth Ontario to determine if they needed to go to hospital immediately. The patient was taken by ambulance to hospital and was finally X-rayed—diagnostic testing was finally done—and was found to have a condition called osteomyelitis. This is a very destructive and very serious infection of the bone of the patient's back.

Oshawa General was not able to handle the case. The patient was then referred to Western General Hospital in Toronto. This past week, the patient had surgery—has had a fusion. The patient is still in the ICU and may not make it because they did not have the proper testing done early on. If the X-rays had been done early on, the patient probably could have been tested and put on an antibiotic. Number one, the patient would not have suffered so much. Number two, the health care system is under tremendous burden. This patient has now been in hospital for approximately 23 or 24 days. The patient has now had a back operation, which has been at significant cost and risk to the patient and cost to the system.

The next issue is that when I have a patient in the office right now, I cannot get diagnostic testing done, so I have to refer the person to a medical doctor for the testing, such as an X-ray. This is an extra billing to the system that's not required. First of all, I've already spent half an hour with the patient to determine whether an X-ray is needed. We have certain protocols that you look at. We don't take X-rays unless they're absolutely necessary. If I refer the patient to a doctor, there's an extra billing to the OHIP system. That cost to the OHIP system for the evaluation by the doctor, which takes approximately five minutes, is almost equal to the cost of having the X-rays taken in the first place.

The problem is also one of convenience. If a patient is in pain, it's a delay of care to the patient, because the patient has to go from the chiropractor to the medical doctor to the X-ray clinic; reports come back to the medical doctor, and finally back to the chiropractor.

I'd just like an indication here: How many people here at the table have had back pain in their lives? So a very small percentage. Actually, almost 80% of the population will suffer from back pain at some point in their careers.

What I would like to do is ask that the committee, in taking this to the budget committee, consider allowing chiropractors to be given access to hospital X-rays, CT scans and diagnostic testing that we need as front-runners in the health care system.

The other issue, as I'm finding more and more, is an anti-chiropractic sentiment. We had one patient recently who went to their family physician on referral and had the X-rays taken, but before the X-rays would be released to the chiropractor, the patient was charged \$20 as a filing fee. I don't understand how the health care system could pay the doctor to take the X-rays and then charge a chiropractic patient specifically to have those X-rays read by the chiropractor.

The Chair: You have about a minute left.

Dr. McAllister: I'm done.

The Chair: Excellent. This round of questioning will go to the NDP.

Ms. Shelley Martel (Nickel Belt): Thank you, Dr. McAllister, for coming in today. I'm just looking at the sheets that you left for us. You said, under cost savings, "I only X-ray about 10% of the patients that come into my office." So you have the capacity to do that in your office?

Dr. McAllister: Yes, I do. I have an X-ray machine in the office. The problem with my X-ray machine is that it only has the capacity to take a certain level of X-ray, and when I have a patient that's over about 39 centimetres in diameter, such as a low-back case, I don't feel the X-ray is of diagnostic quality, so I have to refer them out.

Ms. Martel: Previous to the delisting, just so I'm clear about this, you could make a direct referral for an X-ray? You could give a patient a direct requisition slip for that?

Dr. McAllister: Yes. The Whitby hospital had an arrangement with chiropractors, and the chiropractors could send the patients directly to the Whitby hospital and have X-rays taken.

Ms. Martel: Is that common across the province?

Dr. McAllister: It's very common. I can't speak across the province; I'm only speaking for myself here in Whitby-Oshawa, but it's very common in this area, and I understand it's common throughout the province as well.

Ms. Martel: So what you're telling the committee is that the second result or consequence of delisting is that the Whitby hospital will no longer allow you to do that; they will not accept a requisition slip from a chiropractor to do an X-ray.

Dr. McAllister: That's correct.

Ms. Martel: I honestly didn't realize that was the second consequence from the delisting. I mean, I understood the problem in terms of people paying out of their own pockets now for the full service, but I didn't realize that a second consequence was this.

In my part of the province, there are about 30,000 people who don't have a family doctor. We are already being affected on the level of people who didn't have a family doctor and would go to their chiropractor for low back pain, and who, if they can't afford to do that now, are going to the emerg or the after-hours clinic, so that's more expensive. I'm going to assume, then, the same scenario is affecting our patients. It hasn't been brought to my attention in my constituency office, I must admit, that now there's an additional cost to the health care system for the requisition because you're having to refer people back, or those people going to the walk-in clinic or the hospital—it's already more costly getting an X-ray there, if that is indeed ordered. In the case you relayed to us, it's not.

I know you didn't want to talk about the delisting, but in terms of your own practice, what changes, if any—and maybe it's too soon to tell—have you seen with respect to delisting? Has your patient load changed? Have you lost a number of patients? Are you picking up patients who, to put it mildly, are high-income earners and can afford to cover the whole fee? What change, if any, can you describe to us?

Dr. McAllister: The demographics of my practice have changed dramatically. My practice is in downtown Oshawa, perhaps one of the poorest areas of Ontario. The patients who have Ontario Hydro coverage, General Motors coverage and Ministry of Finance coverage are actually in better shape because they don't have to wait until their OHIP have been exhausted before they can use their benefits, so I have a large increase in insurance-based business. The patients who don't have any base of insurance, actually the poor from the downtown area, can't afford to go to chiropractors anymore, so there is a change in our practice.

I haven't had a dramatic drop in numbers. Perhaps we're down 10%. There's a change in the system, but it hasn't been that dramatic to this point.

Ms. Martel: The change you're seeing is not in terms of numbers; it's the clientele, in terms of what their income is, essentially.

Dr. McAllister: Basically, the rich can afford the services and the poor can't.

Ms. Martel: In terms of your broader appeal to us to have chiropractors be able to do diagnostic testing generally, not just X-rays but other diagnostic equipment, that would be something new. My sense is that you could do requisitions, but was that strictly for X-rays? You couldn't requisition for a CT scan or MRI?

Dr. McAllister: No. To this point we've only been allowed to ask for X-rays, and that was done on the local level. My feeling is that I wouldn't ask for a CT scan unless there was a real reason for it, and to have the patient go back to the family physician in order to have

the test done is just an extra part of the system. It's a waste of money. Certainly I could diagnose a lot of patients and save the system a lot of money, and that is essential. We have to start diagnosing these patients right off the bat. Going back through the system is a delay of care. And I hate to say this, but in some cases, because I'm a chiropractor and I'm referring the patient back to the doctor—there is some anti-chiropractic sentiment out there, and just because the patient was sent by a chiropractor, sometimes the patient is denied care.

Ms. Martel: Thank you very much.

The Chair: Thank you for your presentation.

Mr. O'Toole: Mr. Chair, on a point of order: I think we heard the same presentation in London. I'm wondering, was there a resolution moved with respect to the extra fee for X-rays?

The Chair: We can ask research to—

Mr. O'Toole: I think we did raise a point of order or a resolution in London on the same issue.

The Chair: Was there a motion or a research question asked in London?

Interjection.

The Chair: I'm informed by the clerk that there was a question put by Mr. O'Toole.

Mr. O'Toole: So there was a question put on chiropractic.

The Chair: There was a motion moved on chiropractic.

Mr. Mike Colle (Eglinton—Lawrence): Just keep track of what you've done.

Mr. O'Toole: I just wanted, for the record, to make sure that—

The Chair: Order, please. We answered the question that was asked, and that's all that was required.

Mr. O'Toole: Thank you very much for that.

KAGAN SHASTRI, BARRISTERS AND SOLICITORS

GREENSPACE CONSULTING ASSOCIATES

The Chair: I would ask Kagan Shastri, barristers, to come forward, please.

While you're setting up, I will just remind you that you have 10 minutes for your presentation. There may be up to five minutes of questioning. I would ask you to identify yourselves for the purposes of Hansard. If you're ready, you may begin.

Mr. Ira Kagan: Thank you very much. My name is Ira Kagan, and I'm a solicitor. I'm here speaking on behalf of some farmers in Pickering named Hollinger, as well as their companies, Hollinger Farms, as well as some other landowners in Pickering. The reason I'm here to speak is to explain a few very significant provincial initiatives that are going on right now and to explain why they have such far-reaching budget implications and finance implications not only for the government but also for all the residents of Ontario, now and well into the future.

What I've displayed at the top here is a portion only of the provincial greenbelt plan, and I want to focus on these lands here. Just so you'll understand where we are, this is Toronto and this is Markham—

0930

Mr. Colle: On a point of order, Mr. Chair: If I could just get it clear: Is the solicitor talking on his behalf or on behalf of a client? Could that be made clear?

Mr. Kagan: Clients.

Mr. Colle: Could you list the clients you're representing, maybe not right now, but later?

Mr. Kagan: Sure, by all means.

Just to put it in context, this is Rouge Park. It's green because it's publicly owned. This is north of Rouge Park, and it's green because the vast majority of it is publicly owned or is planned to be publicly owned. This up here is the newly proposed federal airport land. This is Seaton, which is all planned for urban development. These are existing urban areas, and these greys are all existing urban areas.

The area I'm concerned with is right in here, which is called the Duffins-Rouge Agricultural Preserve, and which, until 1999, was publicly owned and is now privately owned as a result of sales to individuals, mostly farmers. In addition to that, the province is undergoing the first ever planning exercise under its powers under the Ontario Planning and Development Act—never done before. Basically stated, it's the province doing the kind of land use planning that cities and regional municipalities typically do. It's the first time they've done that. The last thing is the Places to Grow exercise that the province is doing. The sum total of all these is for the province to decide, on a province-wide basis, where people won't live and where people will live. Put simply, that's what it's all about.

As you know, the federal government, through the Greater Toronto Airports Authority, has now announced that they're planning to build—they're studying and have unveiled plans for a Pickering airport.

Why does any of this matter to the budget committee? I want to explain that. First and foremost is that a lot of these decisions are going to require public money for infrastructure—I'll put up another map now—in order for the province to successfully develop this area for urban uses, which it would like to do. Right now, there are no roads, services or anything. An enormous amount of money is going to have to be put in, much more so than if they were to develop this area where the services are right next to it.

Where's that money going to come from? Either it will come from the provincial coffers or it will come on the backs of homeowners as a result of higher prices, which get passed on when the developers have to pay more in development charges. One way or another, it's going to come out of the taxpayers of Ontario. For every dollar that's wasted servicing land that's more expensive to service, there's one dollar less for health care, for example, or for education or to drive the economy forward. It would be very short-sighted if the government

thought that land use decisions don't have far-reaching financial impacts, because they absolutely do.

One of the main purposes of the greenbelt plan is to make sure that growth is kept away from areas that are inappropriate and directed to areas that are appropriate. One of the main reasons that drive that is that it's more efficient to put people where they ought to be living—near transit and existing services—so that you avoid sprawl. This is the central theme.

As far as I know, the provincial government has never done any cost-benefit analysis or any science whatsoever. Believe me, I've asked for it at every public meeting I've attended, and I've attended almost all of them. There's never been any science or any cost-benefit analysis or any fiscal analysis done to justify why the line is being drawn where it is. To the contrary, the city of Pickering has spent more than two years doing a very detailed analysis of both these areas together—this area and this area—and decided where the urban limit should be on both. It basically goes like this. That makes sense because you want to keep it close to where the people live right now and close to where the existing services are. If you were to look at a more regional map of this area, you'd see that this piece of land is going to be an island of green, surrounded by houses and shopping centres and businesses, in the middle of the GTA. It makes absolutely no sense from a smart growth and fiscally responsible point of view.

Just briefly, another example of how some money is being wasted, in my respectful opinion, is this Ontario Planning and Development Act process. It was begun in a sense by the previous provincial government, but the consultants were only hired by this Liberal government. They're spending money to basically reproduce the study that the city of Pickering has been doing for the last two years. With the greatest respect to the province's consultants, they haven't been given nearly enough money to do the job properly, whereas Pickering has done the job completely. It's a waste of public funds to restudy an issue that has already been studied. They should rely upon the experts that Pickering has already hired.

Before I turn the rest of my time over to Mr. Jim Faught, with whom I'd like to share my time—Mr. Faught, by the way, is formerly of the Central Ontario Smart Growth Panel, the Greenbelt Task Force and the head of Ontario Nature—I just want to stress that these land use planning decisions have far-reaching budgetary and financial impacts. If you're going to draw the line, draw it in the right place and do it based on good science and good fiscal analysis.

Mr. Jim Faught: I want to add just one thing to that: I was a director on The Ontario Rural Council for a couple of years as well, so I do have some expertise and some knowledge about what is happening in north Pickering.

I really want to add to what Ira said about the economic realities of this. First, I want to commend the government on not ignoring the report of the Central Ontario Smart Growth Panel. A lot of hard work was done to reach that consensus, and those 44 recommend-

ations coming forward have really been the basis for the Places to Grow report that's come out, so thank you for not ignoring that report and shelving it, as has happened in the past. Long-term-growth planning such as this will allow for strategic government investment in infrastructure to support this growth that's coming.

A relevant recommendation from the Toward a Golden Horseshoe Greenbelt advice was that both these plans—the greenbelt plan and the growth plan—need to happen simultaneously. At this point, we've seen lots of details on the greenbelt plan but we have not seen lots of details on the growth plan. We've seen the first version, but the public consultation has happened and the Ministry of Public Infrastructure Renewal is behind the scenes dealing with that input and revising that. The greenbelt plan is moving forward; however, we need to see some further movement on the other plan.

There were three reports released on Tuesday of this week by the Ministry of Public Infrastructure Renewal. The first one is Growth Outlook for the Greater Golden Horseshoe, a very telling report, a lot of work done by a lot of ministries, a lot of municipalities, a lot of experts, to say that over the next 30 years an additional 3.7 million people are coming to the greater Golden Horseshoe. More importantly, an additional 1.7 million households will be required to house those people. That's on top of the present 2.6 million households—an additional 1.7 million households.

The second report, A Current Assessment of Gross Land Supply in the Greater Golden Horseshoe, shows that there is roughly 174,000 acres of currently designated land for future growth. This is not consistent throughout the region in the greater Golden Horseshoe. Some areas are up against their boundaries and have a limited supply for future growth, and we need to consider that.

What does this mean for the provincial budget being prepared, and for your deliberations? A large number of people are forecast to settle here. This will require expert planning at the regional and municipal levels to accommodate and provide infrastructure and servicing. While there is land designated for future growth, there will need to be additional lands designated for this growth in the next 30 years. Ontario needs to ensure that any new lands designated for urban development follow these smart growth principles. The principles for the expansion of urban growth boundaries are detailed on page 21 of the Places to Grow report. Basically, that's a copy of what the Smart Growth panel recommended to the province.

The Chair: You have about a minute left.

Mr. Faught: There are just two more things I'll summarize here. One relevant recommendation from the Central Ontario Smart Growth Panel is: "The priority action is to attract and direct balanced growth (a balance of jobs and people) within existing urban and settlement areas" adjacent to where there is existing infrastructure.

I want to bring to your attention a handout from Mayor Hazel McCallion, chair of the Central Ontario Smart Growth Panel. The second paragraph really high-

lights what I'm talking about here. She says, "I want to make it very clear that the Smart Growth panel strongly recommended to the province that development occur where the infrastructure is either already present or close by and that this should determine which areas should be proceed first."

I'll jump down to the summary in my handout. You can read the other recommendations, but there is an important summary point here: There have been so many planning exercises and changes in north Pickering over the last 30 years—from expropriation of land to the Oak Ridges moraine, the Seaton model community development planning, the Duffins-Rouge Agricultural Preserve work and the land swap in Seaton with Richmond Hill—that what's happened is really a convoluted mess. What needs to happen now, rather than a rush forward to designate these lands as greenbelt lands, is to stop, take a pause and really do a full environmental assessment on this full area. That's really what we're asking for here. You need to take a pause and not designate this greenbelt now, because with the runway alignments that are recommended, there really needs to be a second look at where we're going to do development in this part of the world versus where we're going to have green. I'm still saying that there needs to be a balance of growth, farmland and green natural heritage areas. It needs to have all three, and we can do that balance if we do a proper EA on these lands.

The Chair: Thank you. In this rotation, the questioning will go to the government.

0940

Mr. Colle: Thank you very much. Again, I would like, for this committee's information, just to get a list of your clients, please.

Mr. Faught: Yes.

Mr. Colle: I know a little bit about this. When you said "mess" or "complexity" here, I agree; it is very complex. I've been somewhat involved in this over the last couple of years, and I've looked at both sides. I can remember the city of Pickering, which is constrained; they actually have nowhere else to go. To the north of them, there is potential for growth. They have done some analysis for future projected growth, and that would seem the area where there would be potential for efficient use of land and resources for future growth in that part of Pickering, to the north of—I guess it's north of the 401, right?

I guess the real dilemma here is that the lands on Duffins Creek are environmentally sensitive. Traditionally, they were farmlands, and there are some agricultural practices still taking place. The question that really puts the government, and I think everybody, between a rock and a hard place is, do you allow development on the Duffins Creek preserve, which is under covenant—it's supposed to remain agricultural; that was part of the covenants that were agreed to in the mortgages—or do you move development to the Seaton lands, which you're saying is going to cost the government huge amounts of money to put in the sewers and roads, where you've

already got the services and the infrastructure for growth there near the Duffins Creek area, which is much closer to where the growth already is? Why expand it out there? Is that, in essence, what you're saying, in terms of cost?

Mr. Faught: There are two answers to that. The Seaton lands are just as valuable, from a natural heritage perspective, as the Duffins-Rouge lands, so they both need to be considered as one parcel, not separately, as has happened here. Smart growth principles talk about the built form and how we move out in an orderly fashion. We can't move out into Lake Ontario, so we have to move in a semicircle out from the GTA region. We have to make wise use of the existing services. There already are existing services here. What I'm saying is that the southern part of the Seaton agricultural lands would be best developed, in an appropriate way, with the balance of jobs, employment lands as well as natural heritage protection, but that can be properly done throughout the entire area.

In my brief, you'll note that Dr. Wayne Caldwell, an expert in this field, has provided a report saying that these lands are not special for agricultural purposes. Parts of them are, yes, and those should be left not for production agriculture but for urban-supported agriculture. A lot of water has gone under the bridge here, and what we need to do is take a pause and look at the whole area, and not just declare this because of past history and baggage.

The second part here are the covenants and those agricultural easements. They were put in place in favour of holding the land for agriculture until development. There are letters from the lawyers from Green Door Alliance to that effect, saying, "We agree that these agricultural easements are in place, not in perpetuity as conservation easements; these agricultural easements are in place only to hold the land for agricultural purposes until such time as proper, orderly, well-planned development happens."

The Chair: Thank you for your presentation this morning. I would also say to you that the list of clients will be given to each and every member of the committee.

Mr. O'Toole: On a point of order, Mr. Chair: Could I ask the research people to look into determining what the submission here today said was a planned, orderly growth based on infrastructure. What is the plan between smart growth and the greenbelt legislation that the ministry is currently considering? They're rushing the greenbelt legislation, and a lot of presentations I'm hearing in Durham—

The Chair: Your question has been put. We'll have them look into that as best as research can. Please put that in writing, if you would, to ensure that they understand your question.

DUFFIN CAPITAL CORP.

The Chair: I would ask Duffin Capital Corp. to come forward please.

Good morning, sir. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your name for the purposes of Hansard.

Mr. Mark Flowers: Good morning, Mr. Chair and members of the committee. My name is Mark Flowers, and I'm a lawyer with Davies Howe Partners. We represent Duffin Capital Corp., which is a member of the West Duffins Landowners Group, and is a landowner in the Cherrywood area of the city of Pickering, sometimes referred to, as you've just discussed, as the Pickering portion of the Duffins-Rouge Agricultural Preserve.

You've just heard from Mr. Kagan and Mr. Faught regarding the potential economic implications of the government's land use planning and growth management decisions. I'd like to build on a couple of those points and specifically discuss the adverse economic implications of the government proceeding with decisions to restrict development in Cherrywood and why the province should in fact reconsider its decisions from an economic perspective.

I think it's fair to say that one thing that everyone can agree on, no matter what side of the table you're on, is that this part of the province is currently experiencing and will continue to experience significant growth pressures in the coming decades. Mr. Faught referred to some reports that were released earlier this week by the greater Golden Horseshoe forecast committee. Just to reiterate, it's expected that by the year 2031, there'll be a population increase of about 3.7 million new residents and 1.7 million new housing units. Here in Durham, the population is expected to almost double by the year 2031, from 530,000 up to just under one million.

So the issue, then, is not whether Durham will experience rapid growth in the coming decades, but rather where in Durham that growth ought to be directed. I think it's fair to say that there's also general agreement that, in order to accommodate that level of growth in a sustainable manner, both from an economic and an environmental perspective, we must seek to develop communities that are more compact, make better use of existing and planned infrastructure and also support the use of public transit where possible. In other words, we must achieve growth patterns that are referred to oftentimes—and you've heard this term—as smart growth.

Currently, we see smart growth principles embodied in many documents, including various municipal planning documents, the provincial policy statement and, most recently, the province's Places to Grow discussion paper. Places to Grow, for instance, clearly recognizes the economic benefits of ensuring that growth patterns are consistent with smart growth. For example, "By making best use of existing infrastructure, we also reduce the need for large, costly investments and maximize the value of the public investment that has already been made." Similarly, Places to Grow estimates that more than 20% of infrastructure capital costs could be saved over the next 25 years in the GTA alone by moving to more compact and efficient development patterns.

With that in mind, I'd now like to illustrate why allowing development in Cherrywood in the city of Pickering constitutes smart growth and makes good economic sense and, conversely, why restricting Cherrywood to agricultural and related uses in its entirety would be contrary to smart growth and could very well have widespread adverse economic consequences for the province. I'll structure my comments around three separate yet interrelated themes: First, I'll briefly discuss Cherrywood and its non-viability as an agricultural area; second, its location relative to other growth areas; and third, its location relative to existing and planned servicing infrastructure.

First, there's no question that agriculture is an important industry to Ontario's economy, and the GTA has some of the best agricultural lands in the province. Nonetheless, despite being simply labelled as an agricultural preserve, the reality is that this area has no special attributes as an agricultural area, unlike, for instance, the Holland Marsh, the Niagara tender fruit lands and so forth.

In fact, agricultural studies that were recently carried out by experts from both the city of Pickering and the West Duffins Landowners Group came to the same general conclusion, and that is that Cherrywood represents an area of low agricultural viability and, relative to other potential agricultural areas, it is in fact of low priority. These conclusions are the result of a number of factors, including the lack of agricultural support services, fragmentation, declining investment in farm buildings and equipment, isolation from larger agricultural areas and increasing land use conflicts with encroaching urban development.

Meanwhile, the province is proceeding with a plan that proposes to maintain all of these lands as agricultural, suggesting that they could be used for some form of near-urban agricultural uses such as pick-your-owns or roadside stands and agri-tourism. But that ignores the reality that such uses are already permitted in the municipal planning documents and, nonetheless, they have not developed to any great degree. We suggest that the fact that the province's own study team has confirmed that some form of financial support would be required to ensure the viability of the Cherrywood lands for long-term agriculture speaks volumes about the merits of this ill-considered plan.

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Turning to Cherrywood's location relative to growth areas, I mentioned that among the reasons Cherrywood is not a viable agricultural area is its isolation from other agricultural areas and the impacts of encroachment and development. In fact, if we look at a map that's part of the handout, you'll see the agricultural preserve in the red area. This is the Pickering portion on the east. There is also a smaller Markham portion. You'll see that immediately to the west, just beyond Rouge Park and the Rouge River Valley, is the city of Toronto, and north of that, of course, the town of Markham. These are two of the primary employment areas in all of the GTA.

Immediately south of Cherrywood is south Pickering, and that represents the current built-up portion of the city. So development in Cherrywood would represent a contiguous expansion of the urban area, and that's in fact consistent with the provincial policy statement.

Downtown Pickering, as you may know, has also been identified in Places to Grow as an emerging growth centre. So the additional population that would be accommodated in Cherrywood could in fact support the ability of the city's core to achieve that intended function.

To the north of Cherrywood are the federal airport lands. As many of you know, late last year the GTAA announced plans for the development of a Pickering airport. That would generate thousands of jobs; in fact, it's expected that will become the key employment node here in Durham region. Accommodating development in Cherrywood would support the airport and would also promote the creation of these close live-work relationships that are a key objective of smart growth.

Finally, to the east, you've heard how the provincially owned Seaton lands are currently subject to a provincial planning exercise. According to the draft plans that have been prepared, Seaton could ultimately accommodate a community of as many as 60,000 residents, together with employment lands that are primarily centred along the 407 corridor. Again, having development adjacent in Cherrywood could support those employment lands and could also help to defray the costs associated with development in Seaton.

As mentioned, significant population growth in Durham region is a given, I think it's fair to say. Therefore, to the extent that urban development in Cherrywood is restricted, that population growth does not disappear; rather, it simply is directed elsewhere in Durham region. Given that Cherrywood is located adjacent to the city of Toronto, the town of Markham and the built-up portion of the city of Pickering, that growth is going to be directed to more peripheral locations within the region. Those areas could very well be higher agricultural priority lands, or they could be lands that are far more removed from existing development and services, and therefore would require costly investments in new infrastructure that ultimately everyone has to pay for. In fact, that's exactly what is contemplated by the province in Places to Grow, where Cherrywood is identified as an agricultural preserve, whereas the undeveloped lands in the northern portions of the city of Pickering, the town of Whitby and the city of Oshawa are identified as future growth areas.

On the second map—an excerpt from the regional official plan—the area in white basically east of the federal airport lands is labelled "Alternative Candidate Area," which our client's planner is identifying could be an alternative candidate area for an agricultural preserve.

The logic of the province's decision to identify that as a future growth area really escapes us, because, as shown on that map, those lands represent a much more contiguous existing agricultural area. They're largely sandwiched between an existing open space to the south and

the Oak Ridges moraine to the north, and they're far more removed from existing built-up areas and servicing infrastructure. Therefore, it's hardly a model of smart growth.

It would be very interesting to know what type of cost-benefit analysis, if any, the province carried out before deciding which areas ought to be designated as future growth areas. We're certainly not aware of any such studies or comparison of servicing costs, and if they have been done, I guess we'd wonder why they haven't been released to the public.

The Chair: You have about a minute left in your presentation.

Mr. Flowers: Thank you.

That brings me to my final point: the proximity of Cherrywood to existing and planned infrastructure and the serviceability of these lands. The ability to use existing services efficiently and limit the unnecessary expansion of infrastructure is a fundamental principle of smart growth. In that regard, development in Cherrywood does make a great deal of sense, given that it already contains or is adjacent to a number of existing or planned services. Recent servicing studies have confirmed that Cherrywood could easily be serviced by sewers and water; in fact, the York-Durham sanitary system traverses the southern boundary of Cherrywood.

I've also left with you a preliminary servicing analysis for West Duffins lands. This was prepared by the West Duffins Landowners Group's engineering consultant, Stantec. With respect to transportation infrastructure, Cherrywood is very well served by a series of arterial roads, with connections to south Pickering in an east-west fashion, of course. We also have Highway 407 traversing the north portion of Cherrywood.

Likewise, there are also opportunities to develop public transit in Seaton, but those would be greatly enhanced if Seaton and Cherrywood were planned and developed in an integrated fashion. The added population, of course, would provide an additional ridership base, and that would help defray capital and operating costs.

The consulting team retained by the city to carry out its growth management study found that existing roads through Cherrywood would represent the most appropriate transportation and transit corridor into the Seaton community. The city's growth management study also found that Cherrywood is highly conducive to the cost-effective extension of infrastructure and transit in this area, as well as the sharing of services and facilities.

In conclusion, there's no question that development in Cherrywood would constitute smart growth, and that would help ensure that population growth is not directed to more remote locations in Durham region where there would be less opportunity to share existing services.

Rather than making political decisions purely to appease various special interest groups, the province must re-evaluate Cherrywood as a potential growth area to appreciate the obvious economic benefits of allowing development on these lands, and also recognizing the

potential costs if you restrict development there and simply redirect it elsewhere in Durham region.

Thank you for your attention.

The Chair: The questioning will go to the official opposition.

Mr. Flaherty: Thank you, Mr. Flowers, for your analysis of the issues that arise out of the growth in Durham region and Bill 135. We in the official opposition are very concerned with growth east of Toronto, which is an area that has not been paid a lot of attention to, certainly in the 1980s and more so during the time of our government.

We have a university here now, we have a thriving community college—we're going to hear from them later today—and we have rapid growth, as you've outlined. We're certainly in favour of balanced growth, but we also want to see an economic plan that goes along with an environmental plan, and we want the decisions to be based on intelligent science and on available data, and without waste, which has been referred to by presenters here this morning. So I'm not surprised, and I expect we're going to hear more on this subject today, because we're talking about the future of our part of the province of Ontario.

Some of the issues that have been raised—and I'll ask you about the Cherrywood lands in particular. Could you outline, if you would, where those services are? I've been looking at the chart, and I see one of the lines is the trunk services. If you're able to, I'd appreciate your enlightening the committee with respect to what those trunk services comprise.

Mr. Flowers: Certainly. The red dotted line on the first map is in fact the YDSS, the York-Durham sanitary sewer. That sewer serves most of York region and the western portion of Durham region. You'll see that it literally does traverse the southern boundary of the Cherrywood area. Given the elevations, of course, which generally rise from south to north, our client, an engineering consultant, has determined that—and this would also be a cost saving measure—the entire Cherrywood lands could drain to that trunk sewer by gravity alone.

You'll also see blue lines, which represent servicing infrastructure of another point, which is the transportation infrastructure. It represents, on the southern boundary, a rail line. That's a potential GO Transit link. If Seaton is to develop—and obviously the intention would be that it would be transit-friendly—then there could be a GO train line potentially along that route.

North of that, you'll see that the next blue line represents Taunton Road. I'm sure those who are familiar with this area of Durham region will know that Taunton Road is a very busy east-west corridor. Of course, that again traverses this so-called agricultural preserve.

We've also, then, got a dotted line north of that, identified as New Whitevale Road. With the development of Seaton, most of the traffic flow is going to be to the south, southwest and west. So the reality is that there'll be significantly more traffic, again, traversing the

agricultural preserve. The province's own study team has identified that that's going to require transportation improvements in the nature of additional roads through Cherrywood, widened roads and possibly new interchanges with Highway 407 to accommodate that.

The Chair: You have about a minute.

Mr. Flaherty: One of the concerns—and I've been to some of the public meetings, as has my colleague Mr. O'Toole, representing the riding of Durham—has been intelligent planning in an economic plan, and the environmental plan being based on science, one hopes. Have you had the opportunity to ask the government of Ontario ministries involved for the scientific data that give rise to some of the proposed planning reflected in Bill 135?

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Mr. Flowers: Absolutely. Like Mr. Kagan, who represents other landowners in this area, I've attended a number of meetings, whether it be the Seaton open house meetings, the province's plan under the Ontario Planning and Development Act; I've attended a number of the greenbelt public meetings that were held. On almost all of those occasions, we asked to see the science behind this planning. Unfortunately, we never received anything. We were told, "Well, we're not that far advanced in the process," or "Any documents we have that we've referred to, we'll post on the Web site." We've never seen any of that either.

That's a common theme. I think many in the development industry have requested that. I know UDI has made that request of the Minister of Municipal Affairs and Housing. To my knowledge, we've yet to see any of that science. I know a number of times people have made the comment that a lot of this planning seems to be based on political science rather than actual science.

The Chair: Thank you for your presentation this morning.

Mr. O'Toole: Chair, could we put on the record here that, to follow up from the presentation, we would like as a committee to see the science behind the planning decisions that are being made with respect to Bill 135, and more specifically the Cherrywood lands as well as the Seaton lands, as requested by the presenter.

The Chair: Is this a research request or a ministry—

Mr. O'Toole: Since there are actually two ministries involved—

The Chair: Order, please. Is this a research request?

Mr. O'Toole: Yes, it's a research question.

The Chair: Very good. Thank you.

CANADIAN UNION OF PUBLIC EMPLOYEES, ONTARIO DIVISION

The Chair: Now I would call on the Canadian Union of Public Employees, Ontario division, to please come forward.

Interjections.

The Chair: Order, please. If you want to discuss it during the noon hour, you can.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard.

Mr. Sid Ryan: Good morning, everybody. Welcome to Whitby, my hometown; Jim's as well. I've got Judy Wilkings with me today—she's the legislative liaison for CUPE Ontario—and Antoni Shelton, who is my executive assistant. My name is Sid Ryan. I'm the president of CUPE Ontario.

We represent 200,000 public sector workers in Ontario, tens of thousands of them in Durham region alone. Because of the short time frame you've given us, both to prepare our presentation and to make it here today, I'm simply going to focus in on three basic areas—health, education, and P3s—and make some comments about the fiscal outlook in Ontario.

We believe that the Liberal government is actually suffering from a confusion of direction. For example, McGuinty is shortchanging both hospitals and the patients in them with the \$200-million so-called transitional fund announced earlier this week. Half the money will pay to push hospital workers out the door at a time when our province is still recovering from the SARS crisis, when we have warnings almost daily about superbugs in our hospitals and when patients already feel a lack of human contact and caring. McGuinty and his health minister, George Smitherman, have taken a page from the Tory playbook as they try to distinguish between so-called clinical services and non-clinical services in our hospitals. The Conservatives did it with schools when they tried to separate classroom and non-classroom functions, and we saw what happened there: Students across Ontario paid the price.

Everyone working in the hospital today is involved in patient care, whether it's the laundry workers ensuring bedding is clean and germ-free, the dietary aide preparing nutritious meals or the housekeeper who keeps disease at bay in every corner of the hospital. Just like Mike Harris, the McGuinty Liberals are turning the system upside down and inside out. The \$200 million announced only means that there will be even more layoffs in the future, because it does nothing to address hospital operating deficits, which currently total about \$450 million and are expected to balloon to \$900 million in the fiscal year ending 2006. We believe the finance minister is doing nothing more than repackaging neo-conservative fiscal policies.

CUPE members are under tremendous pressure at the bargaining table as a result of this government's policies. While hospital workers are losing their jobs as we speak, other sectors are facing concession bargaining and long strikes.

In terms of the Ontario fiscal outlook, contrary to the government's claims that it is struggling to meet its budget forecast for a \$2.1-billion deficit in 2004-05, Ontario is actually headed for a very modest deficit this year and could easily run a surplus. According to the Ontario alternative budget, following the script of former

Finance Minister Paul Martin, Sorbara is actively managing budget expectations downwards by underestimating 2004-05 revenues by approximately \$1 billion; overstating expenditures for 2004-05 by maintaining contingency and reserve funds at over \$2 billion, when the drawdown on those funds in the first six months of the year was only \$24 million; substantially overestimating the costs of servicing Ontario's debt over the next four years; increasing the budgetary reserve by \$500 million for fiscal years after 2004-05; and underestimating federal government transfers in 2006-07 and 2007-08.

We believe that the government is not looking at innovative ways to save money. One of those innovative ways to find savings would be through economies of scale across the broader public sector.

CUPE Ontario is calling upon this government—indeed, we're challenging this government—to support a jointly trusted benefit plan with Ontario's hospitals. Employee benefit plans are a significant cost to hospitals. Creating economies of scale can reduce these costs. Some hospitals, however, have benefit plans that cover employees just at that facility.

The joint purchasing approach to benefits has given the stakeholders in British Columbia an opportunity to reduce the cost of benefits by 10%. In Ontario, if the joint purchasing approach to benefits was applied, we estimate that the savings for the hospital sector alone could be as much as \$200 million. That's very simple math. We know you're spending almost \$12 billion in the hospital system alone; 85 cents of every dollar goes into wages and benefits. That's approximately \$2 billion a year we're spending in the hospital sector alone just on long-term-disability plans and benefit plans for employees. A 10% savings, as has been found in British Columbia, will save us at least \$200 million.

The Ontario Hospital Association this very week is telling us that 2,000 hospital workers will be laid off, and 8,700 will be laid off next year, because they can't find the shortfall. We believe that there's \$200 million sitting there.

We are currently at the bargaining table with four of the major unions in Ontario. All of us are asking for the same approach from this government. I have met personally with Greg Sorbara and put this proposal to him and said, "You've got to take a look at this."

If you wanted to extrapolate that idea and take it into the school board sector, where it's exactly the same thing—69 school boards in Ontario have all got different benefits plans with different carriers. If you were to use economies of scale in that sector, we would see massive savings.

If you were to do the same thing in long-term-care facilities, which the provincial government is also funding, we could save upwards of \$1 billion in this province alone just by looking at economies of scale in all the sectors. There would be no need for the Ontario Hospital Association to be out there threatening the health care system by saying that we're going to face an

additional 8,700 layoffs next year, on top of the 2,000 that they're laying off this year.

So I urge this government today, if you listen to us on nothing else, to make sure that you give that mandate to the Ontario Hospital Association, which is sitting at the bargaining table with four of the big unions in this province and negotiating right now. Give us the opportunity to bring these proposals forward and put in jointly trusted plans, just like they have in British Columbia, where the savings are absolutely massive.

In addition to that, we'd like you to take a look at long-term-care facilities. The sector has experienced two colossal changes in the past few years: the removal of the minimum levels of personal and nursing care provided to residents; and the downloading of residents who require more complex care from hospitals.

In October 2004, the government allocated an additional \$191 million to the sector. It was allegedly going to go into replacing staff that had been laid off and making sure that residents received at least two baths per week and that the personal care of all those individuals would actually increase. In institution after institution across this province, we have found that the money is going into the profits of private-sector providers in most instances and very little of it is making its way into the front lines. We've spoken to Monique Smith about this. We've provided you with proof of where this is happening in long-term-care facilities right across the province.

The issue of accountability for public funding given to the operators of these facilities must be addressed. CUPE calls on this government to institute mandatory reporting and auditing processes in the sector instead of the voluntary reporting system that's currently in place. It is simply not working. We demand that we have some rules in place that make these facilities accountable for the taxpayers' dollars that they receive on an annual basis.

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In terms of the education sector, from kindergarten to grade 12, CUPE members were pleased to see the Liberal government start off on the right foot in last year's budget by increasing funding for this school year by about \$650 million over the 2003-04 amounts. Unfortunately, along with the good news came signs that this government was not really determined to fix the education system's broken finances. The projected increase for 2005-06 is actually \$300 million less than it was last year. As long as funding increases more slowly than expenses, the school system will remain in crisis. I can tell you, I've been through this province in many communities recently and particularly in Thunder Bay where, astonishingly, they've only got 37 schools and your government is closing 19 of them. That's an absolute disgrace in a small community like Thunder Bay.

Most of the rural schools are closing. The funding formula is not working for rural communities in Ontario. As of last week, the school boards all across northern Ontario banded together to take on your Liberal govern-

ment to say, "This is an absolute disgrace." We cannot allow children to be placed on buses for an hour or an hour and a half across this province simply because you have an agenda of closing down rural schools. For all the angst and criticism the Tory government received in the previous five years for closing schools, I would bet dollars to donuts that your government in the last year has closed more schools, or is about to close more schools, than the Tories did in the previous five. I bet if we take that analysis—CUPE is going to undertake that research to find out just exactly how many schools you are closing across this province.

Finally, I want to talk about public-private partnerships. Again, we've made several presentations to your government on this concept. You appear to be absolutely enamoured of and in love with the idea of public-private partnerships despite the fact that we have provided you with information, particularly with respect to the hospital in Brampton, where we know it has cost the taxpayers an additional \$175 million to go the P3 route as opposed to the normal means of public sector funding of our hospitals. That's just one hospital alone.

This week you're talking about budget shortfalls and you're blindly carrying on funding these public-private partnerships, which are a rip-off of the taxpayers. I ask you again to take a serious look at this whole concept of funding public infrastructure, whether it be schools, hospitals or municipalities. The cancer is beginning to spread right now in our own community. In Oshawa, you've got a city council looking to borrow money to build a private sector sports and entertainment complex using your P3 model again. The direction you're sending out to municipalities is the wrong approach.

I'm glad to see you've got Mike Colle on the committee. He understands about P3s. He knows. He's taken on that 407 fight. If anybody wants to know about P3s, there's just one shining example in this province that we all need to take a look at, and that's Highway 407. That tells everybody precisely what happens when you get the P3. The last one, of course, is SkyDome: \$350 million of taxpayers' money was pumped into SkyDome and just three weeks ago you sold it for \$25 million.

So I ask, be honest with the public, be honest with taxpayers about what you're doing with their precious dollars. Take a serious look at the P3 concept, because we will fight you every step of the way on it. It is a rip-off of taxpayers across this province to be somehow pretending that a P3 is the solution to all the problems facing public sector funding in this province.

That's about all the time I've got. We want to talk about lots of other issues, but you're limiting people's time. That's unfortunate, but thank you for the opportunity to say a few words here today.

The Chair: This round of questioning will go to the NDP.

Ms. Martel: Thank you, Sid and company, for being here this morning. Let me ask a couple of questions. The minister put \$200 million in as a bailout for hospitals: half to accommodate layoffs, which we don't need in the

hospital system, and the other half to carry over deficits to next year, so the problem next year is going to be even worse. At the same time, the federal government has given this government 825 million new dollars this year and this government has taken in \$1.2 billion through its new regressive health tax, which they promised not to do. Don't you think people are wondering where the money went?

Mr. Ryan: I certainly know my members are. We've had literally in excess of 1,000 pink slips that have been handed to our members. In fact, in the Oshawa hospital, the Lakeridge hospital here in this community, three quarters of the maintenance department have received their layoff notices. It's astonishing the impact your fiscal policies are having in the health care sector.

A lot of the folks I represent earn about \$27,000, \$28,000 a year. The health tax was probably the most regressive taxation I've seen in my 20-odd years working in the public sector as a union leader. It has had a devastating impact on families when both of them have had to pay this health premium. Some of them actually argued—their logic was, "Well, if we're giving them the \$300, \$400, \$500 per year, depending what your income is, at least we will help to preserve the system." And this year, of course, they're finding out that the very opposite is happening. That money is obviously not going into health care.

At the same time, you're denigrating the work that the folks who are on the front lines do. Certainly Minister Smitherman has referred to and likens the work of the hospital workers, who are keeping the SARS crisis at bay, who are working with those superbugs and C. difficile on a daily basis, to that of cleaning an office in a bank tower. You're completely demoralizing the front-line workers in the hospital system. At the same time, the thanks they receive for putting their lives in jeopardy in many instances over the past year is a pink slip. That's not acceptable and, believe me, this government has not heard the end by any stretch of the imagination. You've not heard the end, certainly from CUPE or other unions on this front. We're not just going to sit by and allow thousands of members' jobs to go out the door because you're playing politics with the finances of this province.

We sincerely believe that the deficit is not nearly as bad as you're making it out to be. Of course, magically, we all know that when we get into the next election, all kinds of money is going to appear and there will be election goodies handed out all over the place. Meanwhile, our members will have lost their jobs and the public will have lost a good health care system in the process.

Ms. Martel: May I ask about long-term care? You said the minister put in \$191 million. I have challenged that and said it's a lot less than that if you look at the actual allocations. You should get the presentation made by the Ontario Long Term Care Association yesterday. They said the allocation was actually \$95.5 million, not the \$191 million that the minister keeps saying has been invested in this sector. So I don't think we're going to see 2,000 new people hired by any stretch of the imagination, since that kind of money didn't go into the system.

My more important concern, though, has to do with regulated standards of care. Your union has had a lobby around regulated minimum standards of care. In the last election the government promised a return to 2.25 hours of care per resident per day, which had been cancelled by the Conservatives. Now the government is saying there's not going to be any regulation at all. What do your front-line workers in long-term-care facilities think about that when they're trying to deal with residents every day in facilities that are grossly underfunded?

Mr. Ryan: Actually, I met with George Smitherman within a couple of weeks of his having been elected and reminded him that one of their campaign promises was indeed to restore the minimum hours of nursing care. We brought in some folks with us who collectively had 40 years of experience between them in front-line care. Within two minutes of opening our presentation, the minister interrupted us and basically told us we were full of it, we didn't know what we were talking about and that he understood what the problems were. Even though he'd been on the job two weeks—and I don't believe he'd ever been in a long-term-care facility—he was going to tell us, after we had 40 years of experience with us at the table, what was happening inside those facilities and how the voluntary sector was actually what was needed to come in and fix it.

He gave us an example of the police force in his particular area putting on a Christmas party for residents in the long-term-care facility, and more of that was what was needed in the system. I tried to tell him that the good folks in the police force won't be there at midnights and during the off-hours when people really need help and care.

We were promised that the \$90 million-odd that has gone into the system was to be used to give at least two baths per week to residents. We know that's not happening in many, many facilities across the province. There's only one way to fix the system, and that's to go back to the minimum hours of care. It's absolutely required and needed. Any senior citizen who has put the work into this province and put the time in deserves to be able to retire with dignity. It is an absolute disgrace.

Actually, I think it should be mandatory that every cabinet minister be forced to go into a long-term-care facility, take a look at the conditions, smell the urine inside those facilities, take a look at people in their 80s and 90s who are diapered and take a look at the front-line staff who have to go in and care for those folks on a daily basis. This is a labour of love—believe me. There's no money being made by these folks. They're earning barely minimum wages. I even checked with the Workers' Compensation Board. They will tell you that the incidence of back injuries in long-term-care facilities is higher than that in the mining industry, and for one reason: There is no money there even for lifting equipment. These people are lugging patients out of bed on a daily basis, trying to feed them and dress them, 20 residents at a time, spoon-feeding them in an assembly-line process. Really and truly, I would urge every cabinet

minister to make a trip into a long-term-care facility and then sit around the table and tell us that minimum hours of care are not required.

The Chair: Thank you for your presentation this morning. We appreciate it.

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Mr. Colle: On a point of order: I'd like research to follow up on Mr. Ryan's request here, to make available to the committee a report on the BC example of their jointly trustee benefit plan and the possibility of savings that might be achieved if a similar plan could be adopted by the Ontario Hospital Association.

The Chair: Would you put that in writing for the researcher?

Mr. Colle: I have.

Second, I would like research to report on the financial lessons learned as a result of the privatization of Highway 407 and how that might guide future government decisions in the area of dealing with public assets.

The Chair: Please put that in writing.

Mr. Flaherty: I have a point of order: I'd like research to check into the increased cost of the hospital in Brampton because of the delay by the Liberal government in granting the contract to build the hospital. I understand the waste is in excess of \$30 million.

The Chair: Thank you. Put the motion in writing as well, Mr. Flaherty.

Mr. O'Toole: The highway 407 agreement or contract—

The Chair: Do you have a motion?

Mr. O'Toole: I have a question for research. Could they follow up on what progress has been made on the Liberal election promise to roll back the tolls on Highway 407?

The Chair: Ms. Martel, on a point of order.

Ms. Martel: I'd hate to miss this opportunity, since everybody is into it. I'd like research to do some work to tell the committee what the difference is between the Conservative lease and the Liberal mortgage at the P3 hospitals in Brampton and Ottawa.

The Chair: That's a statement rather than a question.

Interjections.

The Chair: Order, please. I want to remind the committee that all these requests of research have to be dealt with before we go to the report writing stage. I hope you recognize the significance of your questions and the significant and substantial research to be done. I'd just remind the committee that we are to embark on report writing rather soon this year as opposed to some others.

NORTHWOODS COMMUNITY ASSOCIATION

The Chair: I would ask Northwoods Community Association to come forward.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to please state your names for the purposes of Hansard. You may begin.

Mr. Dave Barnett: Good morning, everyone. I'd first like to introduce the person on my right. This is Mr. Cal Thistle. He's the president of our local community association. My name is Dave Barnett, and I am the secretary-treasurer of the association.

Hopefully in a moment you'll see Northwoods. It's a small community of about 20 cottages—normal cottages, as you would expect—on the south shore of Rice Lake about one kilometre from the village of Hastings in the municipality of Trent Hills, about 14 kilometres west of its largest town, Campbellford, in the county of Northumberland.

We're not here today for a large chunk of money or to require a large hiring of more staff. Really, we're here today to alert you to a crisis that's developing in property assessment and taxes, and we desperately need your help. Let me explain.

Residents last year, and particularly this past summer, were complaining to Cal and I about skyrocketing property taxes. We always thought that taxes paid for services from municipalities. However, we have no garbage pickup, no snowplowing, no summer grading, no water control—in fact, for three months we can't even get access to our own property. Last year, there was no building in our area at all and there were no sales of any cottages.

We approached the treasurer and the councillors of Trent Hills and found out that the tax rate, or the old mill rate as they call it, had only gone up 0.002, but the assessment could have risen as much as \$20,000 or more to our members. When multiplied by that tax rate, I had a 25.5% increase and Mr. Thistle had a 40% increase in the actual tax bill.

We learned that there are many other examples, many more horror shows very close to where we are. For instance, the taxes for a car wash in Campbellford had risen from \$17,000 to \$90,000. A farmer in Warkworth had his taxes raised 92%. A lady in Cobourg can't find the extra \$38 a week she will need to pay her taxes, other than from her food allowance.

This is not just a rural problem. At the Association of Municipalities of Ontario last year—last summer, I believe—the city of Ottawa publicly announced that CVA, or current value assessment, wasn't working for them. From talking to London, Ontario, residents, they expect at least a 15% increase.

At the heart of these increases are several issues. The Municipal Property Assessment Corp., known as MPAC, was created, as I understand, to collect money for counties and municipalities by establishing a market value assessment of properties in order to pay for the services downloaded from the province. However, the province probably had no idea of the long-term effects of their creation. The province continues to download, and now it's scaring municipalities as to what's next.

As I understand, taxpayers' salaries—and I'm one of them—are finding it extremely difficult to keep up with these increasing costs in property taxation. Also, as I understand, MPAC had 76,000 complaints last year from

the people of Ontario. The stability in our property tax assessment system seems lost as market values increase extremely rapidly. Even a tax shift has been seen, as those who can pay have to pay more to take care of those who can't pay. If you happen to be on pension, a retiree, a senior, on a fixed income or even a new homebuyer, you're really in trouble.

As I approached Mayor Macmillan of Trent Hills, we found out that he was way ahead of us. Some 225 properties in Trent Hills were up for sale because of inability to pay local property taxes. Two businesses, one of them the largest in town, were also very much in trouble, and these were highly unusual for Campbellford. Mayor Macmillan drafted a letter to other mayors in Ontario—this is the first yellow sheet in the package I gave you, if you'd like to look. It was calling on other mayors, reeves and local councils to speak out about their assessment problems. He could see the impending crisis.

With the help of a local tax awareness group called CAFTA, a resolution was passed by the local council of Trent Hills in Campbellford—it's on the back of that yellow sheet, if you'd like to see the actual resolution. The motion called for the Ontario government to form a conference with the Minister of Finance, the Minister of Municipal Affairs and Housing and all interested stakeholders to develop a fair and balanced property assessment system that will work in Ontario.

I ask you to look at the top of that page, where the "whereas" statements are. Notice the language. The feelings are very strong, illustrating the crisis and how severe it is, not only in Trent Hills but in many places.

This resolution was distributed to all municipalities in Ontario, and within a very short period of time, answers came back. Please look at the blue sheets that follow the yellow one.

The resolution, as I said, was sent to all the municipalities in Ontario, and very quickly—on the two blue sheets—returns came back. We believe this is just the tip of the iceberg. Of the 94 returns, 93 were in favour—and these were all passed by local municipal councils—and only one was not. That means that these people and these councils represent 350,000 residents of Ontario who agree with this resolution. If so many agree that a problem exists, then we feel the Minister of Finance must take action.

Other provinces have also begun to recognize this type of crisis. Last May, the province of Nova Scotia rolled back their assessment to 2001, under Bill 40, and capped any increases.

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Why are these increases increasing so rapidly? Some of the reasons—I'm certainly not an accountant and I don't really know. However, things like low interest rates, market behaviour, foreign investment in Ontario, urban sprawl, the Canadian dream of owning your own piece of property, more roads, highways, faster cars and increased money supply could be reasons for these assessments to spike so rapidly based on market values. These increases are bringing hardships like never before on businesses and property owners.

We request that this committee recommend the following to the Minister of Finance:

(1) That the ministry support Trent Hills council's resolution;

(2) That a conference with all interested stakeholders be convened to try to find a better way and avoid the impending property tax crisis; and

(3) That a stable assessment system be developed for the people of Ontario, something we all need and certainly deserve.

The Chair: Thank you. In this rotation we'll go to the government.

Mr. Colle: Thank you very much for the presentation. In fact, there was supposed to be another group that we were going to get here to talk about the same issue, but they couldn't be fit in. They were essentially waterfront property owners.

Mr. Barnett: We are waterfront property owners.

Mr. Colle: Yes, and there was another group. I'll let them know that you made basically some of the same points they would have made. I've got their submission in writing.

Sir, I'm familiar with Trent River. What's the relationship with Trent Hills and Trent River?

Mr. Barnett: Typically, Rice Lake—I'm sure you know the size of Rice Lake, about 28 miles long. At the far end, the eastern end of Rice Lake, it somewhat narrows to maybe 200 metres wide. As it gets to the bridge in Hastings, that's officially where Rice Lake ends. We're just west of the village of Hastings, the bridge at Hastings, on the south shore.

Mr. Colle: I know where you're talking about now. The question is, is there a disparity between the assessments of properties that are offshore in your municipality and those that are on waterfront?

Mr. Barnett: I don't believe so, as I meant by the example of the illustration of the farmer. Certainly he doesn't have any waterfront property, and his taxes have gone extremely high. The business in Campbellford, the car wash, is nowhere near the water. It's on a street called Industrial Drive, and somebody thought that Industrial Drive was like the main street of Barrie.

Mr. Colle: I'm just wondering whether your municipality has done an analysis to see if there's been a spike in assessment on the non-waterfront properties as opposed to the waterfront.

Mr. Barnett: My information is that it's everywhere.

Mr. Colle: Even the off-waterfront properties?

Mr. Barnett: Even off the waterfront. Exactly how much, I imagine, would vary from property to property, but it's certainly very, very large.

Mr. Colle: When the previous government introduced market value assessment, was your municipality on record as opposing it? Did they oppose it, or did they concur in its installation? I know the city of Toronto and other municipalities at that time opposed it, saying that it was going to be punitive etc. Do you recall?

Mr. Barnett: Sir, I'm not sure. I can't speak for Trent Hills; only Hector Macmillan could. However, from what

I understand, there isn't a councillor in Ontario who hasn't been beleaguered by members saying, "Why am I paying so much?" That was happening in Trent Hills for many years. The election came about, and Mr. Macmillan was elected; he hadn't been the previous mayor. He became very aware of it because he was also a business owner.

Mr. Colle: You don't recall whether they're on record as opposing or trying to block—

Mr. Barnett: I don't know, sir, I'm sorry. You'd have to ask the mayor.

Mr. Colle: The other comment I'll make is that, as you know, with MPAC what's happened is that this year there is no reassessment.

Mr. Barnett: Correct.

Mr. Colle: There is an attempt by MPAC to essentially reorganize, because in the last two or three years there's been an inability basically to respond to customer complaints, to get information out to people. So in conjunction with AMO, we've sat down, and the reassessments were not done this year for that purpose. There's a new CEO of MPAC in place right now. There's also a new chairman of MPAC. So there are new people who are trying, let's say, to improve some of the customer relations problems that existed in the last couple of years. That's one thing—

Mr. Barnett: Sir, it's not just customer relations; it's accountability. It's getting hold of someone. You can get hold of your councillor quite easily, but you can't get hold of anyone at MPAC face to face.

Mr. Colle: I know. I agree, exactly that. But in terms of dealing with customers—and you were having a great deal of trouble. That's why the directions to MPAC, as much as we can direct them—we've told them to basically respond to people, give them information, give them ample time to explain a problem etc. and deal with local municipalities, because local municipalities are making the same complaints that individuals were. So some of those things are in place right now.

Mr. Barnett: Market value should not be the basis of setting up your property taxes. It just leads to crisis every time.

Mr. Colle: But what would you replace a market-based system with?

The Chair: Your time has expired, Mr. Colle, but I'll let you answer that.

Mr. Barnett: Again, sir, I'm not an accountant and I can't say for sure. This conference would certainly be the opportunity for many different solutions to be tabled for the experts, as such, to look at.

I would expect something that would look more at the appreciation of the value of a property, or a house, I understand is over 60 years, versus the cost that appreciation—and some kind of calculation for the value of the property. That's the issue, at the moment, of what I've been told may be a way of going. But certainly there would be a lot of people at that table who would come up with the solution, we hope, that would make it better for

people in Ontario, because the way it is now it's a crisis that's got no end.

The Chair: Thank you for your presentation this morning.

Mr. O'Toole: Chair, I have a question for research. I would like a brief background report on the attempt to provide uniform assessment for the province of Ontario by the Peterson Liberals, the Rae NDP government and the CVA by the Harris PC government, and furthermore to explain the difference between assessment and tax rate, because they are separate. When assessment goes up—

The Chair: Do you only want to go back as far as Peterson?

Mr. O'Toole: Well, it goes back further than that, but those are the three current ones, all of whom had plans, all of whom backed away from it.

The Chair: I don't want any more comment about it.

Mr. O'Toole: It's just so that we get a history to this and the difference between assessment and tax rate. When the assessment goes up; the tax rate is supposed to go down. Municipalities are actually blaming the province or MPAC when they indeed set the tax rate.

The Chair: Put this in writing, Mr. O'Toole.

Mr. O'Toole: It's in writing.

Mr. Colle: That explanation would be helpful.

The Chair: I want to remind the committee—you have gone back through some four or five governments with your requests for information—that research only has a certain amount of time to put together what we have heard across Ontario in a format that we can understand and digest in time for report writing so that we can report to the Minister of Finance. I just remind you, if your questions need to go back over previous governments, to give that some serious thought, particularly when we're going back through some four or five, perhaps.

With that said, I thank you for your presentation this morning.

Mr. Barnett: Finally, 350,000 people await your help that they desperately need. Thank you.

ONTARIO SECONDARY SCHOOL
TEACHERS' FEDERATION,
DISTRICT 13

The Chair: I call on the Ontario Secondary School Teachers' Federation, District 13, to please come forward.

Mr. Colle: On a point of order, Mr. Chair: I think, on behalf of the committee, what we're asking research to do is whatever is reasonable. We're not asking for something that they can't do to the best of their ability. We have full confidence that they will be able to do that.

The Chair: It would be hard, I would think, for research to know, if someone asked to go back over the history of four or five governments, whether they should stop at three, four or five.

Mr. O'Toole: Chair, if you gave me a bit of time, I could probably say that the NDP had a plan and the current government—

The Chair: No. You're out of order here.

The Ontario Secondary School Teachers' Federation, District 13, has the floor.

Mr. Colle: Just do the best you can.

The Chair: I'm going to ask the committee to formulate their questions in the way they want them answered, and not for research to have to second-guess what it is you actually want.

Mr. Colle: Sorry. We apologize.

The Chair: On this last day we're having great difficulty, and in the previous seven days of hearings across Ontario, the understanding of the questions put was clear. I've asked three times now for the committee to understand that we have a rather quick turnaround time for research. Their job is not to second-guess what it is you want or don't want. Put the question in a form so they can understand it. They do marvellous work on behalf of the committee and on behalf of all parties that ask questions. I respectfully ask you to put the questions in a succinct way so that we can formulate answers for you.

Sirs, welcome to the committee.

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Mr. Peter Tumey: Thank you, Mr. Chair and committee, for the opportunity to address you.

The Chair: You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your name for the purposes of Hansard.

Mr. Tumey: My name is Peter Tumey. I'm the president of district 13, OSSTF. With me is Harvey Bischof, our chief negotiator in district 13.

I'm representing the 1,500 public secondary school teachers in district 13, OSSTF, but I'm also here as an advocate for public education. As such, I'm here specifically to ask for adequate funding levels for the public education system in Ontario in general and for Durham in particular.

We believe the starting point for any discussion of education funding in Ontario should be the Rozanski report of 2002. Dr. Rozanski identified, and the Liberal government has concurred, that the educational system was underfunded by \$1.8 billion as of August 2002, and \$1.1 billion was needed just to meet the rising costs since the funding formula was first set in 1998.

This shortfall in education funding was a result of the previous government's failure to keep the funding formula up to date and current. Even the former government conceded the truth of that shortfall by providing the first year of catch-up money in their 2003-04 budget, as prescribed in Rozanski's three-year plan to update the formula. It is imperative that this Liberal government follow up on the Conservative increase with appropriate catch-up money of their own in this budget and, in fact, in next year's budget as well.

Rozanski also recommended that there be yearly updates of the funding formula to address ongoing cost

increases. Benchmark funding levels must be kept current in all areas, and this Liberal government has failed to do so. In fact, only 5% of the foundation grant increase that was recommended by Rozanski has been implemented, and that's the most fundamental of benchmarks. The recommended increase in the teacher qualifications and experience benchmark has been ignored altogether.

The September 8, 2004, Statistics Canada report identified Ontario as the only province where funding for public education has not kept pace with inflation. This should not be the continuing legacy of the McGuinty government. This Liberal government has said that 82% of the dollars required in the Rozanski report have been allocated to Ontario schools. However, much of this, including about \$1.5 million in Durham, is in new programs and not for the catch-up and keep-up that is essential—valuable programs, to be sure, but the Rozanski report basically said the foundation of our educational house was crumbling, and the Liberal government's response seems to be to re-carpet the living room.

A stable and functional education system depends on motivated teachers who feel respected by their employer. The Liberal government has done much to change the negative environment created by the Conservatives in their devaluation of the teaching profession. My members appreciate the changed environment and the real improvements created with measures such as the repeal of the professional learning program. But money talks, and there is a fundamental need for adequate funding of the system as a whole to allow for the successful completion of local teacher negotiations.

Respect and motivation are not engendered by artificially limiting teacher salaries and benefits to levels below other public and private employee groups. My members are not unreasonable in their expectations. The government should not unreasonably expect them to shoulder the burden of financial austerity imposed by a government elected to undo the damage of the previous eight years.

Harvey is going to outline briefly the effects of underfunding on our negotiations.

Mr. Harvey Bischof: In order to explain current bargaining conditions, I need very briefly to set the context that helped create the present negotiations environment. In 1997, we lost about 10% of our secondary teaching staff here in Durham. Those numbers have never been fully recovered. Across our 20 high schools, we still stand well over 100 teachers short of what we would have had if previous staffing ratios had remained in place. Of course, as a union, we wish to safeguard jobs, but we are also mindful of the effect on schools and the students in them. Schools are diminished because they have lost the resources these staff would otherwise have provided. Reduced selection in courses and other programs results. Department heads no longer have the periods available to them to mentor beginning teachers especially, and we see that fallout in the fact that one in

three teachers now leaves the profession in his or her first five years. This speaks to a human toll amongst staff, but for students it means being taught by fewer experienced teachers who have been able to develop their skills over many years.

Reduced staffing in schools also results in increased workload, creating a negative environment for both teachers and students. Bill Wilkerson, the co-founder and CEO of the Global Business and Economic Roundtable on Addiction and Mental Health, has spoken about the appallingly high rates of long-term disability caused by mental and nervous conditions—stress-related, in other words—among the teaching profession. He has gone on to say, "The elevated levels of adult job stress which parents and teachers cope with daily create pressures which circulate among our kids at home and school like a form of second-hand smoke."

Recently we have seen from the government an approach to staffing that is like the approach to funding: small injections for new special projects but no long-term commitment to elevated base staffing levels. Here in Durham we will soon have 20 new teachers dealing with students at risk, but they have been hired for one semester only. This does not address the real issue. We need funding for long-term base staffing increases to begin to address workload issues we have been discussing at the bargaining table since May of last year but have been unable to resolve. Peace and stability in the education sector will rely in good measure on our ability to address these staffing and workload issues.

With regard to salary negotiations, we have heard repeatedly Minister Kennedy's assertion that 2% is an appropriate amount for salary increases, as it nearly matches the current rate of inflation. Again, some context setting is in order. Had teachers' salaries kept pace with inflation over the last dozen years, an experienced teacher would now be earning about \$5,000 more on his or her annual salary. The minister's assertions about the current inflation rate need to be seen in that light.

That said, because of the other financial pressures on school boards created by the failure of the funding benchmarks to catch up and keep up, we have not yet seen an offer of even that aforementioned 2%, despite the fact that we've been, as I mentioned, at the bargaining table since last May. Peace and stability cannot rely solely on our ongoing patience or on some expected willingness of teachers to accept less than the going average in public sector settlements, currently running somewhat over 3%.

We hope to see the next budget reflect respect for teachers and a commitment to the resources that students need through, first, a desperately needed catch-up, and second, stable funding in real, inflation-adjusted dollars over the coming years.

The Chair: Thank you very much. This round of questioning will go to the official opposition.

Mr. O'Toole: Thank you very much for your presentation. We have heard from the various teacher associations over each of the presentations in the last couple

of weeks. Adequate funding certainly has been the question that you first raise. I think I heard you commend the student-focused funding model and the following Rozanski review, which is helpful.

Just a bit of background, as a simple understanding of this thing: Really, the main thing in the Fair Tax Commission was to look at how public education was funded under assessment, because we knew that if you had a weak assessment base, you couldn't fund education adequately. Durham was one of the poorest funded boards in the province when compared to other larger boards. It was a range of \$2,000 or \$3,000 per student. The Royal Commission on Learning also followed up on that and said that education should be funded provincially.

From that, we implemented, basically, the Cooke commission that looked at that. We actually reviewed the curriculum, as was recommended by the royal commission, and that, agreed, was headed by Pauline Lang, the former director of your board; Pauline Lang and many of the teachers from Durham actually wrote the curriculum. I've met many of them personally. There's been a lot of fine work done here in Durham, and I am listening to what you're saying.

It appears to me that the current Minister of Education, Mr. Kennedy, is micromanaging the ministry. In fact, there's a cabinet shuffle tomorrow, and I expect that he'll be one of those who will be moved along. I would say that his recommendation of 2%—let's put things in perspective. We've had about two weeks of hearings. For each 1% salary increase in education—because that's the biggest part of the school board budget; the school board budget is basically wages and benefits, with a few supplies thrown in. I'm looking at the government's own budget estimates. The cost of 1% of wage or grid increase is \$115 million or more. That does not include the adjustments for benefits and pensions that are triggered because of those base salary increases.

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Now, the current direction by the ministry is something in the order of 2% to 3%, based on forcing you to take longer contracts, which would be about half a billion dollars. That's what the number is: half a billion dollars. Is that the number you're looking for? We need to present to the parliamentary assistant for finance that you're asking education, I would say, to solve the problem once and for all—not. But what kinds of ways are you looking for?

This is the second part of the question: You said that an average teacher has lost \$5,000. What is the current average salary for a secondary school teacher in the province of Ontario, and what do you think would be a fair salary? We make \$88,000, a fair salary. That's the question.

Mr. Tumey: Concerns about micromanagement by the Minister of Education aren't solved by micromanagement by opposition. If you fund our system adequately, we will locally negotiate a fair salary settlement that will meet the needs of our teachers and that will not be

exceeding the ability of the board to pay. We don't think that setting specific targets in public is a way to negotiate a successful settlement at all.

I do appreciate your government's appointment of Dr. Rozanski and the report that he produced. Please don't see that as support for the funding model in its basic structure.

Mr. O'Toole: He supported it.

Mr. Tumey: Mr. Rozanski is an independent individual, as I am. I appreciate his report very much. I have never supported, nor will I probably ever support, the idea of the funding formula as a structure.

The boards do not need to have their funding so completely prescribed by micromanagement of either the previous government or this government that they lose the flexibility to meet the needs of their large employee groups within them.

Mr. O'Toole: You haven't answered the question on salary, but I will ask you—

Mr. Tumey: Well, John, I'm not going to give you my baseline for a salary settlement.

Mr. O'Toole: What's the average in your board?

Mr. Colle: Let's not negotiate here.

Mr. O'Toole: We're not negotiating here. He said \$5,000 based on—

Mr. Tumey: The average salary for teachers in Ontario varies depending on the age and experience of the teachers in the board and—

Mr. O'Toole: You know that they do want more than what Kennedy said.

Interjection.

The Chair: Order.

Mr. O'Toole: Thank you, Chair, for that abrasive interjection by Mr. Colle.

When I look at it, I believe—and I'd like a response to this one—Minister Kennedy, the current minister, is basically trying to negotiate provincially. That's been an issue in the subordinated discussions.

The Chair: Come to your question, please.

Mr. O'Toole: Do you believe in provincial negotiations for teachers?

Mr. Tumey: In district 13, we are very, very supportive of local negotiations and the value that brings to stability in education.

Mr. O'Toole: You should be a politician. You're very evasive.

The Chair: Thank you for your presentation this morning.

Mr. Tumey: I'm the president—and I am, actually.

ONTARIO PUBLIC SERVICE EMPLOYEES UNION, LOCAL 348

The Chair: I would call on the Ontario Public Service Employees Union, Local 348, to please come forward.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning after that. I would ask you to identify yourself for the purposes of Hansard.

Ms. Patty Rout: My name is Patty Rout, and I'm vice-president of Local 348, OPSEU, at Lakeridge Health Corp., representing five hospitals. I'm also chair of the Ontario Public Service Employees Union health council, representing a total of 40,000 members. I represent community workers, hospital workers, ambulance workers, long-term care, hospital support care and mental health. I want to thank you for giving me the opportunity to meet with you today.

We feel that we, as workers in the health care system, have a responsibility to meet and discuss with you what we think needs to change in the budget and try to influence the decisions you might make.

"Health is going through major restructuring whether as a result of budget cuts or health restructuring. The Ministry of Health states in many policy documents that the front-line workers are to move with the services to the community; that the ministry has a commitment to ensuring that the valuable skills and expertise of the workers are not lost; that we should not see layoffs of front-line workers; that workers need to be retrained for new jobs."

That was written in October 1994. It sounds like today. Nothing has changed.

To get elected, this government promised they would improve health care in the province of Ontario. Some will argue that we already have put millions back in. My answer to you is that for 10 years you cut and cut all sectors of health care, and now it's time to correct the mistakes you made in the last three governments. Dying patients can't wait longer. There needs to be a moratorium on layoffs.

I have worked for over 30 years in health care as a lab technologist in the pathology department, performing cancer marker testing. My members were—and I stress "were"—proud of the work they do. Now we are weeks behind, delaying cancer treatments, delaying emergency results, delaying patients from leaving the hospital. That is nothing to be proud of.

We've been swimming in a deluge of increased workload created by constant cutbacks by all three governments. It takes will to make a change, and you've been elected to do this. You need to do it right this time. Every time we see words like "modernize," "streamline" and "integrate," the next thing that happens is that the front-line workers lose their jobs. I don't know how that helps patient care.

The new hospital business plan or buy.com or back office transformation is going to receive \$22 million this year in start-up fees. Is this a private company? Who knows? They get that just for the first year. We know the taxpayers will pay for that. Then we're going to see another \$91 million spent for 2,000 workers who lose their jobs. We still haven't put any care on the patients. Surgicals have been increased, but no staff are being added.

P3 hospitals are another broken promise: an extra \$175 million to build the hospital in Brampton. How did this help us?

In the community, the RFP process is costing millions of dollars and gradually driving non-profit agencies bankrupt or forcing them to adopt the negative characteristics seen with for-profit companies. Health care professionals in communities cannot qualify for a mortgage or loan because of the instability of multiple employers. Their quality of work life has deteriorated by being moved into the community.

Mental health services need to be a protected service like cancer care. We need to make sure those dollars go to mental health. Services in mental health were down-loaded a number of years ago, and we know the community never picked them up. It shouldn't take six months for people to get mental health care when they're in a crisis.

We need long-term investment in health care, not experiments in private-public partnerships. We need to invest our dollars in people. We need stability, not chaos. We need funding available to universities and colleges to train and upgrade our professionals.

The government has a responsibility. We know the cupboard is not bare. We're not stupid. This latest fiasco with giving money to hospitals so they can lay off staff who are needed so badly is downright insane. Sending patients home too soon means the patients come back sicker than before, and this costs the health care system more. Moving the work to the private sector, we know, costs more. How does putting a schizophrenic patient in jail improve their health care? How will waiting months for treatment help this person?

Moving physio into the community, where people need to pay, means that the average person will not get their care. Sure, they can go on waiting lists, but it could take several weeks before they get the care they need. Then they're readmitted to the hospital, so now we're paying more.

Now this government has decided that what we should do is move the work into the community from the hospitals. So the direction is to move all ancillary workers out of the hospital if it's cheaper to do it there. How does that improve health care?

There needs to be funding attached to a person, no matter where they are in the health care sector, to ensure proper care, which in turn will save the system money, and whistle-blower legislation for staff and families to advise on the misuse of health care dollars.

What about care? What about the person? How does this new system make it better for that person? Will the list get shorter? We need a continuum of care right through the system that addresses the person's needs.

There should not be profit in health care; and if there is, why shouldn't it be put back into the health care system?

We have seen notices of layoffs: dietitians in Cobourg, social workers in Peterborough, dialysis techs, lab techs in Oshawa, transcriptionists in Scarborough, physiotherapists in Stratford—I can go on and on. Private companies are being financially wooed to build this service in the community, just like the MRIs, and we know what happened there.

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There are shortages everywhere. I have said this many times. It's not just doctors and nurses. It takes a team. We have vacancies everywhere in the hospitals. They are not hiring; there's a moratorium on any hiring. CT, ultrasound, mammography, lab etc.: None of the jobs are being filled, so it doesn't look like we have shortages, because they're not replacing.

The latest announcement fills an already weary group of workers with fear and dread for their future. They are looking at other options now, such as retirement, leaving altogether or moving to warmer places where they are indeed valued. The province told us how important we were a year and a half ago, and now we're enemy number one.

We don't need new money in health care; we just need to use the money we already have and do it better. You should be horrified that 8,500 people are going to be laid off in the health care sector. There is no plan. The government is pushing over 100,000 years of health experience out the door: "Here's your hat. What's your hurry?" When I say there is no plan, if you saw McGuinty's ad in the Star today, he said there should be about 600 jobs in the community, and, "You're employable, so we really don't care."

So there appears to be no plan. Hospitals are not sharing their plans. It's a big, dark secret. What do Smitherman and McGuinty have planned, and why are they not sharing it? This government is misleading everyone.

If you look at the Hugh Mackenzie report, he shows there is enough money for health care. We see right now money being wasted on private consultants. I don't know half the people who are wandering around in my hospital right now. They aren't workers and they aren't patients. We have costly administration. We have RFPs that are costing millions of dollars. You saw what happened to Mr. Blue. I don't think Durham region wants to be in that same sort of situation.

My members went into this field to serve patients. Someone several years ago made a decision that we have to have profit, and there's been a spiral downward ever since.

I'm told I need to be more competitive and that I need to create my own business in the community. I just want to deliver health care. We know that as you drive more patients into the community, insurance prices will rise and people will again not be able to afford private insurance.

We need accountability. We need to know where the money is going—the federal tax, the cigarette tax and the health tax—and what happened to the money that went to delisting all the services over the last 10 years.

The Chair: You have about a minute left in your presentation.

Ms. Rout: Thank you.

Health care is made up of health care workers, and with one less, the rest are slowed down. It's not about doctors and nurses. The lineups are also there because the lab tests can't get done and the X-rays can't get done.

Health care workers from all across the province know what's wrong with the system and want input, but we've had no opportunity to do that. This is my first opportunity. I've given you a list of things that our members have suggested could be done. That's just a very short list, but it could save you millions and millions of dollars.

The Chair: This round of questioning will go to the NDP.

Ms. Martel: Thanks, Patty, for being here today. We appreciate it. Is there a deficit at Lakeridge Health Corporation?

Ms. Rout: Yes, there is, \$84 million.

Ms. Martel: How much, \$48 million or \$84 million?

Ms. Rout: \$48 million.

Interjection.

Ms. Rout: Yes, \$10 million this year.

Ms. Martel: So \$10 million this year. OK. What are the layoffs that have been proposed to deal with that deficit? Of course, they would have been asked to submit a balanced budget to the ministry or show how they're going to balance it by next year. I'm assuming, out of a \$10-million deficit, that's going to have some impact on staff.

Ms. Rout: Yes, absolutely. They keep telling us it's very secretive. I sit on the FAC committee, and we've never been shown a formal budget as to how many people will be laid off. They have plans, but until the ministry approves them, they cannot tell us what they are.

We know the back office transformation or the HBS plan that they have in place will move most support care workers over to a private company. Whether that will be done as a layoff through Bill 136 or whether it will be done under Bill 69, we don't know. What we have seen with technologists is that they are not replacing us. Right now I know of eight vacant positions that have not been replaced, and there are more planned for the department.

People are being told their jobs are going into the community: "Are you willing to go there?" People say, "Can we think about it?" "No, we want to know now. Sign this piece of paper whether you're going to do it or not." There is a date of March 31, 2005, that you now have lost your job.

We're in discussion with the unions, by the way.

Ms. Martel: Where are you supposed to go in the community? Where are the positions in the community?

Ms. Rout: That's interesting. They aren't there, particularly in Cobourg. We looked there with the dietitians, and the people in the diabetic, dietitian and respiratory area were told their jobs were being moved into the community. We asked, "Where?" Well, they didn't know. "Is it going to be there when my job is gone in five months?"—because we have five months' notice—and they said, "We don't know. We hope it will be there, but we don't know."

It's not there, and our members aren't able to use successor rights to move to those jobs because they're just taking bits and pieces of jobs. So when the job is gone, there's nowhere for us to go. We have a lot of experience, and it's just being put to waste. We're

lobbying the government to bring in a plan that deals with the human resources problem in this province, but we really haven't got any further than words. Nothing more has happened.

The layoffs that I spoke about are in the lab. The microbiology department, where the work has been reduced over time, has gone to the private sector, and the dialysis.

Ms. Martel: What has that done for waiting lists in the hospital itself?

Ms. Rout: I can tell you the waiting lists are huge in X-ray and lab. In pathology, where I work, we're weeks behind. We used to pride ourselves in that we could do our work in one day, and we would try to stay a few minutes extra if we weren't done. Now it can be two weeks. We're two weeks behind. So when you come in to have surgery, we're weeks behind before we even start. Then a doctor has to look at it, and then they order tests, which we perform. That's why the waiting list is there.

The ambulance driver who brings the patient in does blood work, and the blood work is often picked up by the same person who performs the work. So they'll still be in emergency, taking the blood work, and the blood is sitting up in the lab and the work isn't getting done. So we hold up the system, because we don't have enough people in the system to do the work.

Ms. Martel: A lot of the work you do determines the diagnosis in the first place, right?

Ms. Rout: That's right.

Ms. Martel: Then decisions flow from there. So if that's being delayed, people's potential treatment is being delayed, because a physician won't even know what that diagnosis is and how to deal with it.

Ms. Rout: That's right.

Ms. Martel: I continue to worry very much about these jobs in the community, as I heard the government and Mr. McGuinty yesterday, and again today, saying some of those nurses who are going to be laid off, and the other health care workers as well, can pick up jobs in the community.

The government has announced that there are going to be 45 new primary health teams, but not one of those has been announced. We had a meeting about that last week with ministerial staff and were told they might be announced, but there's no timeline set in place for their actual implementation. While they may well be announced by the end of March 2005, they couldn't tell us when they'd all be up and running. So don't look to that as an opportunity for jobs.

In my own community, even though we have proposals for community health centres, for example, the government has refused to even deal with the proposals that are in. We can't send any of the nurses, dietitians or social workers there because they're not being approved.

I look at the long-term-care sector, and I had meetings with some of the CUPE staff recently and was told that there are two other facilities and despite the funding that's gone into the system there, there have been no new

hires in either of those two facilities at any level: RNs, PSWs etc. I have some serious concerns; in fact, there's a lot of rhetoric about new positions in the community and they aren't there.

I'm more concerned to hear that your members are being told, "Sign something," to say that you're going to move into the community by March 31 without even knowing where they're going. If those positions aren't there, what are these people supposed to do?

Ms. Rout: I don't know what we're supposed to do. That's why I think there should be a moratorium on layoffs until they figure out just what they are going to do.

The previous government said services were going to move into the community. The service was deleted from the hospital, but the service didn't show up in the community, and that's what Mr. Blue is all about. He couldn't get into that service because it wasn't there. We have similar things happening in Durham region that have to be addressed.

The shortage issue: We were cut 30%, just like all health care professionals were. We were never brought back up to the level that nurses were brought back up to, and we just can't handle the work. That's why the lineup in emergency is happening, because we can only do so much work, and until we get more help, we can't do it.

Moving it into the community to have it looked after there—it's still the same people; there are no more of us. We can only do so much. Moving it into the community doesn't mean you're going to find a new labour pool. What needs to happen is there needs to be a way to move the patient all the way through the system, and it doesn't matter whether you work in the community or in long-term care or in a hospital, you all get treated the same and you're working in the field you want to be in and working in the type of health care you want to be in. Right now, there is barrier after barrier. To move into the community means I have to give up my quality of life.

The Chair: Thank you for your submission this morning.

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ANGLICAN DIOCESE OF TORONTO

The Chair: I would ask the Anglican Church, diocese of Toronto, to come forward, please.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your names for the purposes of Hansard.

Rev. Richard Miller: Thank you, ladies and gentlemen. I'm the Reverend Richard Miller. I'm a parish priest of St Matthew's Anglican Church in Oshawa. I am here today representing Colin Johnson, who is the area bishop of Trent-Durham and also the bishop of Toronto. I would like to thank the committee for this opportunity to be here today.

Mr Murray MacAdam: I'm Murray MacAdam, and I'm the social justice and advocacy consultant at the

diocese. I'll just add that the main areas of advocacy work we're concerned with are affordable housing and child poverty.

Rev. Miller: The brief from Bishop Johnson that you've received today does focus on affordable housing, child poverty and specifically the need to end the claw-back of the national child benefit supplement and the need for a substantial increase in social assistance rates. These three issues are discussed in detail in the brief, and I ask that you, hopefully, take the time to read that brief.

Murray is now going to talk a little bit more in regard to the social assistance issue within that brief.

Mr. MacAdam: As I'm sure you're aware, the previous government reduced the rates for social assistance by 21%, 10 years ago. With inflation, that amounts to 34% today. The minister involved, Sandra Pupatello, has herself acknowledged the need for a substantial increase in the rates, and we're calling for that in our brief.

The urgency of this issue was brought home to me when I took part in a community audit about conditions for the poor and for those who help them, on behalf of the Anglican Church as part of a broader coalition that we're part of. It led to this report, *Lives in the Balance*. I believe all MPPs have received a copy. It has a lot of proposals for action.

I'll just mention briefly a related issue. During this community audit, I took part in local events in Toronto and Kingston, and poor people who told the story of their plight asked me, "So what's going to be the result of these consultations? Is it going to amount to any change for us?" I told them it would result in a report—the one I've shown you—and that we'd urge the government to act on the proposals in it. We believe it's quite important for the government to carry out its promises in these areas. Otherwise, it simply leads to people believing that there's not any point in telling their story or in becoming active in any kind of public action.

Rev. Miller: We are grateful for the steps the government has already taken in these areas, which include the \$10 million in rent bank funding to avoid the eviction of tenants who are behind in their rent, the 3% hike in social assistance rates in 2004 and the fact that the 2004 child benefit supplement was not clawed back from the cheques of social assistance recipients. These are signs of progress on the part of the government. Yet much more remains to be done to address the issues of poverty and homelessness in our midst.

In the interest of time, I'm not going to read the brief, and I again encourage you to do so. I would, however, like to offer a few comments from my own experience as a parish priest in the east end of Oshawa.

In Oshawa there are two community ministries in downtown that I would like to mention. One is called St. Vincent's Kitchen, which serves a hot meal to nearly 200 people each day. People line up down the block to get in for that meal, which costs \$1.25. That has just gone up from \$1 recently. Many of those people in that line, however, have had to go to local churches to get a ticket free to be able to get into that meal.

The second is Gate 3:16, which a storefront ministry. They open their doors daily to the poor and homeless. The Gate offers counselling services; some basic health care, predominantly foot care; literacy programs; and basic personal hygiene opportunities, such as simply having a shower or getting your clothes washed. It was the clients of Gate 3:16 that a municipal councillor referred to not so long ago as the "creepy people" of Oshawa, a comment which, needless to say, generated a great deal of controversy in Oshawa, to the point that the city council, so I have been told, has passed a motion to stop talking about it. Perhaps the motion should be to keep talking about it.

Finally, there is a small church in south Oshawa by the name of St. Peter's. They have taken it upon themselves to help in the task of ensuring that the less fortunate have food, and operate a small food bank out of their church hall. They are not a wealthy church, by any stretch of the imagination, and dwell in a community that is very much affected by poverty and low income. They are trying to supplement the work of three larger food banks in Oshawa, one run by Simcoe Hall, one by the Salvation Army and one by the Seventh Day Adventists and, all together, they still cannot meet the need. It is a sad reality that food banks are necessary in a society that is generally as well off as ours.

To bring that home just a little bit, a single person receiving \$530 in social assistance in Oshawa is required to spend \$400 to \$450 for lodging in a rooming house, where they share a kitchen and bathroom facilities. I can't imagine what that might be like in a centre such as Toronto. Certainly \$400 to \$450 out of \$530 leaves little for food, clothing and basic health care products, even such as an Aspirin.

Members of this consultation, we believe that people should not have to depend on handouts. Again, I would ask that you read our brief. Thank you for listening.

The Chair: Thank you very much. This round of questioning goes to the government.

Mr. John Wilkinson (Perth-Middlesex): Good morning, Reverend and Murray. Thank you so much for coming; we appreciate that.

First I'd like to say, as you know and as you mentioned, it took years for us to get into this mess in regard to social injustice and it's going to take some time to get ourselves out of it. You're right; there were some good starts made despite the fact that the fiscal house isn't in good order. I can tell you that I think there has been really a sea change in public opinion, a rejection of the idea of ghettoizing people who are suffering. At one time I think they were conveniently kicked politically by previous governments. And I think you're right about the tsunami. The wellspring of goodwill in this province is unbelievable when it's tapped.

I wanted to ask you specifically, because we're going to be making recommendations to the minister and I know your presentation is made by the bishop and you have some specific ideas—plenty of people come to us with the problem; we always like the people who help us

with the solution. You've given two specific solutions in regard to how to raise the money. They are, of course, eliminating the exemption for the employer health tax, which currently doesn't kick in until there's above \$400,000 worth of payroll—I can tell you that some Bay Street types came to see us just recently and said that it should be \$600,000; many have told us to eliminate it—and harmonizing the corporate tax system, which I think the government is making some good progress on with our federal colleagues in Ottawa.

My question is, what was the process whereby the bishop could represent all of the Anglicans who are in his flock to make this statement? I don't want to talk about the politics of it. What's the process? Is it just that he decided to write this? Was it a recommendation? Did it go in front of the synod? Just so we can characterize to the minister the strength of the recommendation, how does that happen?

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Mr. MacAdam: I could answer that. It was a result of the bishop and myself conferring about the presentation. It grows out of the concerns that we have about these issues overall.

Mr. Wilkinson: Great. Thanks. That helps me.

The other question is about the clawback of the national child care benefit. As we work through that—and we were discussing this yesterday. That money is used for other programs, which, I think, are more generic in nature, in a sense. Is it your position that we need to eliminate those so that the clawback is eliminated, or is it that we need to do both; in other words, keep the programs that are already there being funded and just stop the clawback? I think you just have to come up with the other \$270 million a year.

Mr. MacAdam: I can answer that as well. For us, the priority is the extra income, as we mentioned in the brief. Actually, in terms of the programs that are being supported now, which you referred to, we'd like to see them continue, although there's some concern about some of the value of the supported programs. For instance, I was at an event yesterday where a person said the monies that the city received were used for a food bank program, not a program which really got at the root causes that were involved.

Mr. Wilkinson: That's great.

The Chair: Thank you for your presentation this morning.

GTA/905 HEALTHCARE ALLIANCE

The Chair: I would call on the GTA/905 Healthcare Alliance to come forward, please.

You have 10 minutes for your presentation, and there may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Tariq Asmi: My name is Tariq Asmi. I'm the executive director of the GTA/905 Healthcare Alliance.

Thank you, Mr. Chair, and thank you to this committee for providing the GTA/905 Healthcare Alliance with the opportunity to address this important committee.

The alliance is an organization representing the 10 acute care facilities and the one mental health facility providing direct patient care to the residents in the regions of Durham, Halton, Peel and York. These are Ontario's fastest-growing communities.

The goal of the alliance is simple: On behalf of the more than three million residents living in the GTA and 905 regions, we're working to bring care close to home. The regions of Durham, Halton, Peel and York are the top four fastest-growing regions in Ontario. During the last four years, and for the next five, these regions grew and will grow by more than twice the provincial rate of population growth and will welcome and accommodate more than 50% of the province's annual growth in population. Stop and think about that. Each and every year, half the growth of Ontario's population ends up in the GTA/905. Here's another way to think about it: The tremendous population growth in the GTA/905 is like dropping the 90,000 residents of the city of Waterloo into the GTA/905 each and every year. And let's not forget that Waterloo has two hospitals to look after its residents.

Despite being the fastest-growing regions and accommodating much of the provincial growth, when the GTA/905 regions are compared to the average level of age-weighted per capita funding for 36 regions across Ontario—and out of fairness, we exclude northern Ontario and downtown Toronto—the GTA/905 regions currently get 25% less hospital funding. That's a gap of \$545 million in annual funding. We get 23% less funding for community care services like home care. That's a gap of \$60 million in annual funding. There's 30% less funding for total health care. That's a gap of \$866 million in annual funding for health care.

As of today, and based on Monday's announcement of one-time funding for Ontario hospitals, alliance hospitals in the GTA/905 are now facing a collective deficit of \$89 million. By now, I'm sure all of you are aware of the service and staffing implications of hospital underfunding, and I won't dwell on this. Suffice to say that the elimination of these deficits without additional funding will mean service reductions and staff layoffs and will not help reduce wait times for health care services. Without adequate funding in 2005-06, the situation becomes worse and the implications of staff and service reductions are very grim.

The deficits faced by alliance hospitals are due to many factors. One key factor is that while alliance hospitals, like all other hospitals, face very real inflationary pressures of almost 8% per annum, the 2004-05 provincial budget offered only a 4.3% increase in funding.

Another more important factor is that while alliance hospitals must expand care to accommodate 50% of the province's annual growth in population, alliance hospitals were allocated only 12% of the increase in hospital funding: 50% of the population growth and only 12% of

the annual increase in funding. Something doesn't jibe there.

One reason for the funding inequity is that the hospital funding formula, while being a more objective tool for allocating funds—I agree with that—has room for improvement. There is concern that the formula does not accurately capture the true volumes of care being provided by alliance hospitals and doesn't provide significant weight to those increases in volume. A peculiar feature of this funding formula is that it rewards hospitals that have a higher in-hospital mortality rate.

As a result of GTA/905 hospital underfunding, many of the alliance hospitals are facing some very difficult choices. On the one hand, how do you choose between the imperative to balance budgets when, like many other hospitals in Ontario, alliance hospitals are some of the most efficient hospitals in Canada, and, on the other hand, the duty and the responsibility to meet the health care needs of the region's rapidly growing number of residents?

You should know that bringing better health care close to home for GTA/905 residents is a good thing for many reasons.

First and foremost, investments in GTA/905 hospitals mean better access to care for residents who for too long have had to leave their communities when care could actually be provided in their local hospital. The resources are there, if they were just funded. And as many of us know, local access to hospital care means better-coordinated care when we get discharged in terms of home care.

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Second, in terms of the provincial government's goal of achieving health system reform and bringing about the transformation, investment in GTA/905 hospitals, which are 20% lower-cost than other GTA hospitals and 30% lower-cost when compared to downtown Toronto teaching hospitals, will help you achieve your goals to reduce wait times at low cost. Further, the GTA/905 communities make up almost half of the communities identified in the government's agenda for growth in terms of the document, *Places to Grow*. So we are very consistent and we are there to help in achieving your goals.

Finally, in terms of fairness and equity, additional investments in the GTA/905 will begin to address the significant system underfunding in the GTA/905 region that I noted earlier.

You should know that with over three million residents and a rapidly growing population, the GTA/905 residents will contribute more than \$570 million each year to the provincial government through the new health care premium. Given the GTA/905's rapid population growth, we believe ourselves to be pivotal in the government's agenda where you want to have sustained and supported growth. Given the large health system inequities, we wouldn't mind seeing some of that \$570 million.

Alliance hospitals are truly supportive of the government's transformation agenda and goals. Let us help you

to cost-effectively achieve your health system goals and, at the same time, bring care close to home.

In closing, the alliance's recommendation for the government as it prepares its 2005-06 budget is a simple one. We ask that when it comes to setting the health care budget, make sure it's adequate to cover the very real costs of providing high-quality patient care. Ensure that there is funding to support the system so we can successfully transform the system. Equally important, please call for, demand and commit to a more equitable allocation of health care resources across Ontario.

On behalf of the alliance hospitals that provide health care services to the more than three million residents of Ontario's fastest-growing communities and who, like any of us, would like to have care close to home, I want to thank you for your time. I'd be happy to take any questions.

The Vice-Chair (Mr. Phil McNeely): Thank you for your presentation. The questions go to the official opposition.

Mr. Flaherty: Thank you for the presentation. One of the reasons it's very important—and I thank the committee members for meeting in the 905 area of this province—is because of the more than three million people who live in the 905 who sometimes seem to get forgotten, with the emphasis, of course, on the big city of Toronto and the sizable population there. In your area of expertise, the teaching hospitals and academic centres in the city of Toronto—we don't have those, but we do have substantial hospital requirements, health care centre requirements in the 905, including Durham region.

Just to get some context here, on per capita funding, where does the 905 stand vis-à-vis the other areas of the province, if you can help me on that.

Mr. Asmi: On total health care funding, looking at a per capita basis—and we don't compare ourselves to northern Ontario. That's not a fair comparison. We don't compare ourselves to downtown Toronto because we recognize that there are a lot of resources there and a per capita analysis really doesn't work. So comparing ourselves to the 36 other regions in Ontario, where we stand in terms of total health care funding on a per capita basis—using age-rated population, not raw population—we get basically 67% relative to what all other communities get on a per capita basis; that's two thirds.

Mr. Flaherty: As I understand this issue over my years as an MPP, first of all, there was chronic underfunding in the 905 so that every time there's an increase, we never really catch up and, secondly, there's not a process in place at the Ministry of Health to take into account the rapid population growth in the 905. The area we're sitting in today is either the fastest-growing area, not only in Ontario but in Canada, or the second-fastest growing area—that is the regional municipality of Durham—in the entire country. On the second point, is there a process in place in the Ministry of Health to take rapid population growth into account?

Mr. Asmi: In the past, the ministry did identify growth funding that was targeted to communities that were experiencing rapid growth well above the provincial

average. This was a good thing and certainly helped to fill the gap. That growth funding is no longer there; it's supposedly addressed in a funding formula. We are concerned about this funding formula, because we're not too sure what rate is now being given to the rapid growth in population. So we need to be more explicit, ensuring that the funding formula and any processes to allocate funds recognize the high growth of communities in the GTA/905 area.

Mr. Flaherty: The government has expressed, as a goal, reducing waiting times. I realize this is a big question, but what needs to be done in the 905 area to reduce waiting times?

Mr. Asmi: As I mentioned in my presentation, the GTA/905 hospitals are some of the most efficient hospitals in Ontario. We can provide those five key wait-time services at up to, on average, a 30% lower cost. So by providing care close to home, by allowing us to help the government reduce the wait times, you will do it at the lowest possible cost and will keep care close to home.

We see ourselves as good investments. We are can-do organizations in recruiting and retaining health care professionals to actually translate your dollars into service, and close to home. As I mentioned earlier, the coordination of care when you're discharged from your local hospital into home care is a lot better; the outcomes are a lot better. So we see ourselves as good investments for you. You just need to recognize that the population growth is another reason to invest in us as well, so we can get care close to home.

The Vice-Chair: The time for questions is over. Thank you for your presentation.

Mr. Asmi: I have some materials that back up my presentation—the data and evidence.

ONTARIO PUBLIC SERVICE
EMPLOYEES UNION,
CENTRAL EMPLOYEE
RELATIONS COMMITTEE

The Vice-Chair: The next presentation is the Ontario Public Service Employees Union. Could you please come forward to make your presentation.

You have 10 minutes. When you start your presentation, please state your name for the purpose of Hansard. There will be up to five minutes for questions afterwards.

Ms. Marg Simmons: My name is Marg Simmons. I'm a social worker 2 in the provincial public service and work at the women's jail in Milton, Ontario. I represent OPSEU members working across the public service in each and every ministry. We have 23 ministries and approximately 45,000 members. For the past two years I have been the union co-chair for the central employee relations committee, which is a kind of labour relations committee that meets with the government of Ontario.

Thank you for the opportunity to be part of your pre-budget hearings.

You've already heard from our president, Leah Casselman, about OPSEU's overarching provincial budget concerns, and you've received the Ontario Alternative Budget's analysis of progressive spending and revenue options and how the government can move ahead on the critical task of rebuilding public services, so I'll focus my remarks on the front line and the province's public services.

At the outset, I'm afraid I have to report to you that despite 10 years of taking it on the chin, front-line public service workers are seeing the same pre-budget strategy emerge again; that is, if all else fails, blame public employees. With program cuts and privatization schemes continuing unabated, that's the message we're getting. Unfortunately, that appears to be Premier McGuinty's plan to balance Ontario's books.

I remember October 2, 2003. On election night, the Premier-elect stood and sent a stirring message to public sector workers. He said, "I value your work and I look forward to working with you so we can provide better services to our public." It was a great speech. For eight years, Mike Harris and his caucus demolished public services and slandered our work. The Premier-elect promised to rebuild shattered services, protect the public and treat us fairly. Things were about to get better, so we thought.

In the Ontario public service, plans are underway to dump 7,000 front-line jobs from the workforce—a workforce already cut 40% by Harris and Eves. So, seen from the front lines, the government's first term in office looks an awful lot like a Tory third term.

1140

I don't know if you saw the Toronto Star yesterday and Ian Urquhart's column, but it spoke about something apparently affectionately called "the mod squad," some new committee headed up by Sandra Pupatello and three other ministers to once again review ministries. Apparently, they have a bottle of whiteout that allows them to delete ministries from the organizational chart. It's hugely—hugely—concerning to us that there would again be another review.

This is not what the Liberals campaigned on. In March 2004, the Liberal finance minister said, "We were elected to ensure high-quality public services. That's what the election was about. That's what we got elected to do." Weeks later, it was announced that, except for health and education, spending would grow by only 1.9% per year. That's actually a cut, after inflation and population growth.

"I myself ... live in a 2% world," the Minister of Finance said recently. Yet in bargaining with doctors, the McGuinty government offered an average pay hike of 18.6% over four years. The increase doctors rejected in November—just over \$50,725 each, on average—is more than the average annual salary of an OPSEU member, yet 2% is seen as just fine for the people who run our courts, guard convicted criminals, keep our roads safe, help people with disabilities, inspect water plants and so on.

To compound the insult, we're frequently told by the new government that average personal incomes in On-

tario are rising. According to our finance minister, they'll go up by 4.5% this year, 4.8% next year and 4.9% in 2007. Clearly, in the world of the McGuinty government, there are two classes of people: public employees and everybody else. When the province needs money, it's public employees who will pay.

This is no change from the last government, and in fact it's blatantly unfair. Under the Harris-Eves government, public employees who kept their jobs saw their real wages fall due to inflation. A typical clerk in the public service—maybe the one who sent out your OHIP card—now earns \$2,500 a year less in real income than in 1994. Meanwhile, wages in the rest of the economy have surged ahead, and the government notes that they will keep on doing so. But in the McGuinty 2% world, the public service employee who tests water or inspects meat will keep falling behind.

In 2004, more efficient government suddenly made it on to the government's list of priorities. As anyone knows, this is code. It means more cuts. The notions of transformation and horizontality were introduced to us by your bureaucrats. Horizontality is the idea of ministries working together instead of in their own individual silos. Conceptually, it's hard to argue with this. However, there are labour relations impacts of these policy decisions that must be addressed by the government in its role as employer. There are further labour relations discussions required to implement the May 2004 memorandum of understanding with the federal government, which would see an integration of some services provided. I was told by an assistant deputy minister that it's just a change of address or work location. It's much more than that to integrate two groups of workers covered by two different collective agreements which provide different wage rates, different benefits, different hours of work and different lunch hours.

You may know that we are currently in bargaining with the government. Our contract expired on December 31. As the chairperson of that bargaining team, I can tell you that it's a slow process, given the 54-day strike of 2002. Yet I believe it's an opportunity to be creative in operationalizing the rebuilding of public services. For example, our benefits plan is the second-largest in Canada. There are efficiencies and improved services to be realized when the parties implement the tendering of the plan for the first time in well over a decade. As well, the government actually has a surplus of over \$200 million in its half of the pension plan; I think it's actually \$256 million.

The Vice-Chair: Your time is up. Could you just use another few seconds?

Ms. Simmons: Sure. The surplus has to be spent in the pension plan; it can't be spent anywhere else. It's an opportunity to honour planned early retirements, and, as a result, new employees can be hired. Horizontality can be operationalized.

I want to thank you for your time. I do want to say that we've had enough of the cuts. Together, let's rebuild Ontario's public services.

The Vice-Chair: Thank you for your presentation. The questions will go to the NDP.

Ms. Martel: Thank you, Marg, for being here today and for making the presentation.

Of the recent hires in the Ontario public service, 89% have been part-time jobs. What's the timeline on that? Is that in the last year, the last two, the last three?

Ms. Simmons: That's been in the last several years.

Ms. Martel: Do you know what those numbers are in terms of part-time jobs? What's the value of that? Is it 8,000? Is it 5,000?

Ms. Simmons: Out of 45,000 members, about 28% to 34% of our membership is part-time, so around 12,000 to 15,000 of our members are part-time.

Ms. Martel: Do you have any idea how many people are leaving the public service and coming back as consultants, at a much higher rate of pay, instead of making some of those part-time positions full-time?

Ms. Simmons: That happened more significantly under the previous government. The current government issued a policy statement to us within the last six months on ending the practice of using consultants. There is a process slowly getting underway to review the Ontario public service and its use of consultants. The degree to which it is operationalized thus far, I can't tell you.

Ms. Martel: OK. So it has been implemented as a policy decision, but we don't know how far down the line it is to actually being in effect.

Ms. Simmons: No.

Ms. Martel: You mentioned at the start of your presentation, "In the Ontario public service, plans are underway to dump up to 7,000 front-line jobs from the workforce." That's on page 2. Where does that figure come from? Are you hearing that at the negotiation table?

Ms. Simmons: We've had many disclosures since the middle of June. There are over 2,000 jobs lost with the closing of the three centres for the developmentally handicapped. There are in the area of 2,000 jobs to be lost with the divestment of the remaining provincial psychiatric hospitals. A couple of days before Christmas, we received another notice of a couple of dozen additional jobs lost in the Ministry of Transportation. There was a project to centralize the finance and benefits department that services employees in the OPS. They were sent to six centres in Ontario. That was a loss of 336 jobs.

Ms. Martel: Is that the Shared Services Bureau?

Ms. Simmons: Yes. There has been an announcement with the Ministry of Finance as part of the memorandum of settlement with the federal government which will affect over 700 employees. So there have been a number of announcements since the middle of June 2004.

Ms. Martel: When you look at the current negotiations—and I wouldn't presume to ask you what's going on there in terms of what's on the table. For the benefit plan that you're talking about, can we ask, though, what you are looking at in terms of what the government is doing to have what I assume would be increased savings in terms of that plan?

1150

Ms. Simmons: Given the age of the plan—it has been about 14 years since the plan has been tendered—we still use the horse-and-pony routine of mailing in our claims and getting cheques. There's technology now that allows for the billing to occur from the pharmacy and that allows for a direct deposit system. That will result in administrative efficiencies for the company that gets the tender. That will result in increased improvements for our membership.

Ms. Martel: It's not clear to me: Is this going to be put out to tender again?

Ms. Simmons: Yes.

The Vice-Chair: The time has expired for the questions. Thank you very much for your presentation.

SANDI PNIAUSKAS

The Vice-Chair: The next presenter is Sandi Pniauskas. Please come forward to present to us. The time limit is 10 minutes. There are five minutes for questions thereafter. When you begin, state your name.

Mrs. Sandi Pniauskas: My name is Sandi Pniauskas. I live in Whitby. I am an ovarian cancer survivor and advocate.

Thank you very much for allowing me to present to you today. I think I will probably part company, because I will not be speaking to you as an economist or as an expert of any kind. My intention here is to speak to you as a human being, because that is exactly why you are here. Your budgets do affect your families, your children, your parents.

The issue for me is ovarian cancer in Canada. It is a subject that has not been paid attention to, and that continues. I say that specifically because Cancer Care Ontario just published their plan for 2005-08, and once again we see that in a 246-page document, there are two references to ovarian cancer in the whole 246 pages and they were not of any relevance.

I wanted to give you an idea—and at the end, I will give you a recommendation—as to what has to happen in this province and in this country for ovarian cancer.

Ovarian cancer is actually the most feared women's cancer, contrary to popular belief. The reason for that is that many oncologists equate the path of ovarian cancer to the similar characteristics of pancreatic cancer. That is one of the reasons why it is a disease, a cancer, a women's cancer, which is not often spoken of and therefore not dealt with.

Contrary to popular belief as well, it is not an older woman's disease, and I do believe we've made some progress on that. As a matter of fact, in Durham region last week, there was a 19-year-old young lady diagnosed with epithelial ovarian cancer, and I will tell you that she is not going to make it. Over the five years since I've been involved in ovarian cancer advocacy and support, I can tell you that that's not an isolated example.

Let me tell you that although breast cancer affects one in nine women, in Canada, ovarian cancer affects one in

70. I hope that it does not affect your families. We all know at least 70 people, so somewhere along the line, a friend or a family member of yours is going to be diagnosed with ovarian cancer.

There was a paper published in December 2004 by Cancer Nursing, and I will quote from it because I think that it tells you, in part, exactly why we're in the state of affairs that we're in with ovarian cancer in this country. Ovarian cancer is actually what many would call a throwaway disease. In relative terms, we haven't spent any money on research. We have specialists, which are gynaecological oncologists, but they are overburdened and overstressed. There's absolutely no reason for that if we had taken action and if we would take action; and in fact, we're not doing so. The quote from the nursing journal says, "To date in clinical practice, delays in diagnosis related to ovarian cancer are reported and tolerated rather than examined and eliminated." For the most part, one of the reasons is because we're not speaking to the appropriate parties.

Seventy per cent of breast cancer patients will survive five years; 70% of ovarian cancer patients will not survive five years. In fact, I hate to tell you that it's more like two or two and a half years, and that is an improvement.

The difficulty with the extension of life—I say not survival but, if you can understand, extension of life—is that it is difficult for the public to imagine what that two and a half years is like. Ovarian cancer is a unique disease because it is chemo-resistant, so you may respond to the initial chemotherapy, but after that it will continue to recur, with new chemotherapy treatment, shorter periods of remission, if any, and then you will die. Ovarian cancer is not strictly a matter of the ovaries; it's a matter of the colon, the lung, the bladder, the kidneys, with fluid in the abdomen, fluid in the lungs. It is a distressingly suffering disease. Sometimes I think that, although it was published yesterday that cancer is now the leading cause of death in the US for those under age 85, as opposed to heart disease, I would not tell you the realities of ovarian cancer.

In your package you will see that the Canadian Institute for Health Research has statistics on research dollars per disease site. All you have to do is look at that and recognize the huge disparities. We are spending millions and millions of dollars on cancer sites that have high survival rates. In particular, for the years 1999 to 2005, a five-year poll, we have for pancreatic cancer less than \$900,000, and the five-year survival rate—well, the one-year survival rate—for pancreatic cancer is zero. We have to change our philosophy, and it has to be mandated provincially and federally that, as per the World Health Organization, we need to address the attainment by all peoples of the highest possible level of health care, not just those deemed to be common. We have to look at all of the factors, and we are not doing that.

The problem with ovarian cancer and of course some of the other cancers—I guess I think of lung cancer—is that there are large stigmas. We're responsible for that as

a public. In pancreatic cancer and ovarian cancer there are few survivors; survivors seldom are advocates. The only way to move forward is to have a federal and provincial mandate. The only way to do it effectively is to have it led by surviving cancer support family members and/or those who are intimately involved, because without that, there is no urgency.

In closing, I welcome your questions. I do consider myself, and I am considered, an expert ovarian cancer patient, so I'm sure that if I don't have the answer I can find it for you. But I leave you with the thought that this is a disease that will mostly likely affect you personally. It is, at the moment, a throwaway cancer, and it's going to continue to be that way until we do something effectively for it.

The Chair: This round of questioning will go to the government.

Mrs. Carol Mitchell (Huron-Bruce): Thank you, Sandi, for your presentation. I just have a couple of questions. Your point number 7 under recommendations: "Recognize that 'healthy lifestyles' are not established risk factors in ovarian cancer...." Could you please expand on that for me so I have a better understanding?

Mrs. Pniauskas: Healthy lifestyle relates to, for example, hormone replacement therapy, your eating habits, your smoking habits, your exercise. There are no established lifestyle factors for ovarian cancer as to the cause, and lifestyle factors subsequent to the diagnosis are not a determining factor in survival.

As a matter of fact, this month there was a very good research paper published in the US. It said that we part company on ovarian cancer, because there is no biological reason, at the pathologic level, for us to be able to determine if lifestyle factors play a part in ovarian cancer.

Now, we've been led to believe by the publicity and the advertising that if you eat your veggies and you don't smoke and you exercise, life will be wonderful. That in fact is not true. In cancer in general, irrespective of ovarian cancer, lifestyle factors affect 30% to 50% of the cancers, but as a public, the general public, we seem to lump them all together to mean that's all cancers. That in fact is not true.

Mrs. Mitchell: Is it part of your concern that you feel Cancer Care Ontario's plan should be more encompassing of that, or is it strictly with regard to ovarian cancer? Or is it all part of the attitudes or what we can do to prevent—you know, healthy lifestyles versus choices versus on and on?

Mrs. Pniauskas: The only way you can prevent ovarian cancer—and it's not 100%—is to have a radical hysterectomy.

Mrs. Mitchell: So your concerns related to Cancer Care Ontario in your conclusion—I'm trying to get a better understanding. I'd just like to say, Sandi, that I don't know a lot about ovarian cancer, but what you have said has been very informative, and I will say to you that I will be doing more research on it, and we can make sure that the Minister of Health is aware of your document as

well. I'm just looking for a better understanding of your concerns directly with regard to Cancer Care Ontario's proposals.

Mrs. Pniauskas: Well, if you'll notice—and I'm known to be blunt, because I don't waste a lot of time—

Mrs. Mitchell: We'll get along just fine, then.

Mrs. Pniauskas: Then let me make it very clear. I'll answer both questions for you. I have been in touch with Mr. Smitherman's office since the spring—dozens of phone calls, dozens of e-mails—wanting to speak with him personally, because Cancer Care Ontario is not paying attention to ovarian cancer in any manner, either support, gynaecologic oncologists or research, period. I wanted Mr. Smitherman to understand the realities of ovarian cancer, because Cancer Care Ontario is not paying attention to ovarian cancer. His office directed me to Cancer Care Ontario. Well, that obviously is not going to do me any good. I finally did get a reply from Mr. Smitherman himself, and the reply was: "Thank you for your e-mail of October 18, 2004, and your offer to discuss ovarian cancer diagnosis and treatment options. Unfortunately, my schedule does not allow me the opportunity to meet...."

I had exactly the same situation with our former health minister, Mr. Clement. No one is interested in talking about ovarian cancer. I am really getting tired of spending half my time in palliative care, with ovarian cancer women and their families, trying to get the message across for ovarian cancer. I'm the only one in the country who presented a paper to the Romanow Commission on ovarian cancer—the only person. I'm including professional organizations. I have no idea what it's going to take.

We need, possibly, a coalition of influential people—and I'm not talking about movie stars; I have no use for that type of thing. I'm talking about people in the government who can actually make decisions but, more importantly than that, want to make decisions and who don't want to wait for another five years or 10 years to do that, because in that time, 10,000 ovarian cancer women—your daughters, your mothers and your wives—will have died.

I am not paid to do this. I gave up my paying job because there's a larger need. I just feel that if I can do this, there has to be somebody in this whole country who can make it happen for us. So far, I haven't found anyone.

The Chair: Thank you for your submission.

The committee is now recessed until 1 o'clock this afternoon.

The committee recessed from 1204 to 1300.

LAKERIDGE HEALTH

The Chair: The standing committee on finance and economic affairs will come to order.

For our first presentation, I would call on Lakeridge Health to come forward, please.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your names for the purposes of Hansard.

Ms. Anne Wright: My name is Anne Wright. I'm chair of the board of trustees of Lakeridge Health. I'd like to thank you for the opportunity of speaking to you today. I have with me Mayor Marilyn Pearce of Scugog township. Lakeridge has agreed to share its time with Mayor Pearce in order that you may better understand the community impacts of decisions.

Ladies and gentlemen, I sit before you as a volunteer, angry, disillusioned and frustrated, not for me personally or for my fellow volunteer trustees, but for our patients and the dedicated staff, nurses and physicians who serve them. In the past, Lakeridge Health has appreciated the difficult choices faced by governments of all stripes and has been supportive of the need for health care reform.

We have embraced the need for hospitals to be accountable to patients and to taxpayers, ensuring that we use our scarce health care resources wisely and efficiently. But we received one of the lowest increases of any Ontario hospital in the very years that Lakeridge Health was one of the few hospitals to balance its budget.

We have supported this government's transformation agenda in a move away from expensive hospital care with investments in appropriate community agencies. We have met the government's obligation for a balanced budget plan, quietly outlining the serious negative impacts of balancing our budget by cutting services and triggering significant nurse and staff layoffs. We have made deep cuts in so-called administrative and support services to meet the government's directives. Finally, in the past we have agreed that a complex funding formula took time to refine and perfect, accounting for the many factors involved in hospital care.

The 500,000 residents of Durham, the over three million Ontario residents served by multi-site and rural hospitals, and the thousands and thousands of dedicated staff, nurses and physicians in those hospital systems have been patient and understanding long enough. They now need you to understand and act on the serious and long-standing inequity for funding for rural and multi-site hospitals. Hospitals like Grey-Bruce, Niagara, Quinte and Lakeridge Health cover significant geographic areas. These distances, and the public call for care closer to home, require the operation of multiple sites and satellite offices, often in smaller rural communities. Unfortunately for Lakeridge Health and the others I have just mentioned, the current hospital funding formula fails to recognize the unavoidable additional costs of operating more than one site. The formula compares the cost of hospitals like Lakeridge Health—with four main hospital sites and 21 satellite sites—against those operating on one site, expecting our costs to be equally efficient. It is simply not fair.

Don't take our word for it. The joint policy and planning committee, made up of representatives of the

Ministry of Health and the Ontario Hospital Association, has studied this. They concluded, as a result of their study, that "this shifts the question of 'if' to 'how' a [multi-site] factor should be introduced." They are, in other words, endorsing the validity of the multi-site factor.

The JPPC report concludes that a multi-site adjustment to Lakeridge Health's funding would justify an increase of up to \$8.9 million for this year alone, potentially eliminating the current model's view that Lakeridge Health is a high-cost hospital.

This cumulative penalty imposed on our community over the past several years comes to an astounding \$42 million versus the provincial average. Had Lakeridge Health not been penalized and received just the provincial average, Lakeridge revenues would be \$42 million higher than our current levels, we would have a \$21-million operating surplus rather than the \$19 million deficit and our working capital would be a positive \$39 million instead of our \$48-million deficit.

Multi-site and rural hospital underfunding is real, with inevitable and profound impacts. It is unfair to the over three million residents served by these hospital systems, it is unfair to our patients, it is unfair to our overburdened physicians, nurses and other staff, and it is unfair to taxpayers, whose case costs are 28% lower in the GTA than Toronto teaching hospitals.

Multi-site rural hospitals like Lakeridge, Grey-Bruce, Niagara, Halton, William Osler and others are not looking to you for a handout or a waiver on providing efficient hospital services. We simply want to be evaluated and funded on a level playing field, where the unavoidable costs of operating smaller and multiple sites are recognized not only with words but with real dollars.

Although I do see a faint glimmer of hope with this week's long-awaited funding acknowledgment of rural hospitals, it must be said that these token amounts do little to ease the concern for our patients, staff, nurses, physicians and for our communities.

Ms. Marilyn Pearce: Thank you to Anne for allowing me to share her time with you today.

My name is Marilyn Pearce, and I am the mayor of the township of Scugog, which is a small community of about 21,000 people spread over 500 square kilometres of north Durham. The economy of my community is agricultural and tourist, and both of them are significant. We're also a community that's totally within the green-belt area, so it's probably going to stay that way for a long time to come.

The village of Port Perry is the major urban centre and home to a Lakeridge Health rural hospital site. Anne spoke of the need to look at how the funding of GTA hospitals and especially multi-site locations is distributed, as they can't possibly meet the same standards at the same cost as single sites. The same efficiencies are just not there. Then you add in a small rural hospital such as the one in my municipality and it becomes even more complicated.

On Monday, Minister Smitherman did acknowledge the smaller base in which to find efficiencies in rural

hospitals and rural sites of large urban corporations. As well, he committed some one-time funding to rural locations of multi-site hospitals. My purpose today is to suggest to you that the one-time allotment of funds for these rural hospitals in multi-site locations must continue and must be built on as a separate funding envelope for rural hospitals.

Rural hospital sites such as Port Perry serve a large geographical area with a very sparse population that is primarily agricultural, but they are the only reason in many cases that we are able to attract and retain doctors. The Port Perry site is truly unique in that it also serves as a very valued teaching site of the University of Toronto. It teaches rural doctors, and it teaches them fairly close to Toronto. But in order for them to fulfill that role, they must have a complete package of core services, which includes obstetrics. The efficiencies of an accounting exercise, especially for delivering babies, just aren't there, but when you cut these core services you truly cut the heart out of a small community. You jeopardize future doctor training, you jeopardize future doctor recruitment, you jeopardize the work of our foundation to raise money for capital equipment, you put people out of work—the domino effect in a rural community is huge.

I ask that you recognize that multi-site locations face these challenges and that unless there is a dedicated funding package for rural locations, the elimination of services is just inevitable. While the short-term gain will see us with balanced books, it will not be in the best interests of our residents, your residents and the people of rural Ontario.

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We can live in the GTA and still be rural. We are the areas that produce the food you eat. We are the areas that supply the lakes, the forests and the trails where you want a holiday. We are the areas with the smallest tax base. We are the areas facing huge infrastructure problems with roads, bridges and drinking water. We are also the areas facing the biggest threat to our hospitals, especially as part of this integrated health care system.

In conclusion, I would just like to say that since the balanced budget plans were submitted, I have received well over 300 letters—they're beside me here—from residents explaining to me what their hospital means and why I have to come and speak to you today. A rural community has an attachment to its hospital that is hard to explain. I've never seen anything like it. If you're a member who has a rural hospital in your riding, you probably know what I mean. Rural health care is needed. It's expensive. It can't reach all the efficiencies of large sites. It needs its own funding model so that a full range of core services, including delivering babies, can continue to exist in rural areas of the province.

As a committee, I hope you will recommend that the government consider that the future sustainability of rural hospitals in multi-site urban corporations can only be met through a separate funding envelope.

The Chair: This round of questioning will go to the official opposition.

Mr. Flaherty: Thank you for the presentations on behalf of and with respect to Lakeridge Health. I want to thank Anne Wright for her volunteer service as chair and for the important work that has been done by Lakeridge Health.

By way of background, those of us who have been involved for some years here know that it was a very difficult thing for Durham region to go from community-based general hospitals to a regional hospital, but we did it in Durham region and we do have Lakeridge Health with its multiple sites, including its satellites. The reward for that appears to have been inadequate funding for our regional hospital because of these multiple sites and the rural nature of a good part of the region of Durham, as the mayor has made clear.

We also heard this morning from the GTA/905 Healthcare Alliance about growth areas. I'd appreciate it, Anne, if you would talk a bit about the growth demands on Lakeridge Health and what that means in terms of the needs of Lakeridge Health.

Ms. Wright: The entire 905 area is a high-growth area as far as population is concerned. You only have to look around this area and see the new subdivisions sprouting up just about everywhere to see that Durham is a high-growth area. We want to be able to serve those people in Durham—all of them. The predictions are for the growth to continue at an ever-increasing rate. We support the government's initiatives to have more full-time nurses available to our residents; we just don't see how we're going to be able to do that if we have to balance our budget with the revenue we have been receiving.

Mr. Flaherty: You mentioned levelling the playing field for hospitals like Lakeridge Health. What needs to be done, if you can do it succinctly, to level that playing field?

Ms. Wright: What needs to be done is a couple of things. One of the things that needs to be recognized, obviously, is the multi-site factor. It is simply impossible to run a hospital as efficiently in a number of sites as it is in one. It would be as if you had three constituency offices as opposed to one. It just simply has to cost more money. So that needs to be recognized. We want to be able to provide services to the people who need them where they need them, and, as Mayor Pearce has stated, people are passionate about this. They feel extremely strongly about their hospitals. So we need that multi-site factor recognized, plus the rural site. These are small hospitals that don't have the critical mass of patients that may fit into the efficiency factors, the cost per case and the other things that the hospital funding formulas base the revenue we get on. Those have to be addressed with some additional funding for hospitals that are in those particular positions.

In addition, hospitals would greatly benefit from multi-site and also multi-year funding. It would certainly improve our ability to plan if we knew ahead of time how much we were going to get, or even if we knew on an annual basis in a timely way how much we were going to get.

The Chair: Thank you for your presentation this afternoon.

Mr. O'Toole: Chair, I have a motion.

The Chair: Yes, Mr. O'Toole.

Mr. O'Toole: I, along with Mr. Flaherty, move that the Ministries of Finance and Health consider, in their 2005-06 budget: (1) specific funding for multi-site hospitals such as Lakeridge Health, as well as the consideration of a growth factor adjustment; and (2) furthermore, that the minister consider the teaching programs at Lakeridge Health Port Perry, in affiliation with the University of Toronto, such that medical training programs receive separate and specific funding envelopes.

The Chair: Thank you. That will be discussed at report writing time.

CITY OF PICKERING

The Chair: I would ask the city of Pickering to come forward, please.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I'd ask you to identify yourself for the purposes of Hansard.

Mr. David Ryan: I'm Mayor David Ryan, city of Pickering, and with me I have the acting CAO, Everett Buntsma. It's a pleasure to be here this afternoon, ladies and gentlemen. We thank you for the opportunity. I have a lengthy presentation, so I'm going to get into it and work through it rather expeditiously and rely on the questions to fill in the gaps, if any.

The Ontario government has introduced a set of visionary programs and legislation that will usher in profound and sweeping changes to the province's economic, social, cultural and environmental landscape. Individual items such as the draft greenbelt plan and the draft Places to Grow Act will determine the future of our great province and our ability to manage future opportunities and challenges. Furthermore, as Ontario is the economic engine of Canada, the prosperity of the entire country also lies in the balance.

Although we are greatly optimistic, we must proceed with a healthy dose of caution. We are standing above an ocean of opportunity. Instead of diving in headfirst, let's take the necessary precautions before we take the plunge. The McGuinty government has already shown us its vision of a strong and healthy Ontario. The city of Pickering applauds this vision and is a strong supporter of the policies that will lead us there. However, we are asking that municipalities become active partners, and this is very key; we must be active partners in the implementation process.

How these policies are implemented will determine their ultimate success. Through genuine consultation and active collaboration with municipalities, the Ontario government will be able to draw upon a larger pool of knowledge and localized expertise to ensure the new legislation is implemented judiciously and effectively.

We need to install the financial structures to support government policy. The Legislative Assembly's standing committee on finance and economic affairs will obviously play a major role in the implementation process and will be the budgetary tie that binds all of the province's programs together.

With respect to the draft greenbelt plan, this plan is a landmark piece of legislation that will establish a permanent green space for the benefit of future generations of Ontarians. Although visionary in nature, the boundary of the greenbelt remains a controversial issue. In its current form, the greenbelt legislation does not allow municipalities to work with its constituent parts to achieve the proper environmental, economic and social balance. For example, the lack of buffering between mandated agricultural and existing residential lands will result in pockets of non-sustainable and non-contiguous farms that won't be supported by agricultural infrastructure and, in time, will atrophy.

The draft greenbelt plan will also result in isolated communities and, in time, due to strangled growth, will become elitist communities. Eventually these communities will be crippled by their infrastructure burden and will be unsustainable, forced to rely on tax pooling from neighbouring municipalities in order to survive.

We're requesting that the province work with each affected municipality. The application of tested economic and scientific modelling with full municipal partnership will lead to a model of efficient and sustainable communities. We need real science to be applied to these initiatives.

Each municipality has its own inherent challenges and will be impacted differently by the location of the boundary. The city of Pickering and most other municipalities have already done that mapping. From a financial standpoint, it doesn't make sense for the province to allocate funds toward duplicate studies. By working with the municipalities on the location of the boundary, the province will be able to utilize the existing financial investments and satisfy the majority of the stakeholders. Most importantly, a coordinated effort will be a money-saving exercise as it will eliminate the need for duplicate research as well as mitigating much of the anticipated litigation associated with a forced boundary implementation.

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The 407 assessment status is another issue. When Highway 407 first opened, it was owned and operated by the former provincial government and was understandably given property tax exemption status through the Assessment Act. Shortly after, the province sold off Highway 407 to a private consortium. Since then, it has operated as a private, for-profit enterprise. Accordingly, Highway 407 should be recognized as any other commercial enterprise and pay its fair share of taxes. Highway 407 creates additional cost pressures for the host municipality without any financial compensation. For example, in Pickering, the Brock Road interchange has generated a tremendous amount of traffic and resulting usage on Brock Road and the connecting streets.

The city of Pickering recommends that these lands be assessed as commercial property or characterized in a similar fashion to hydro linear properties. Highway 407 occupies approximately 304 acres of Pickering lands. Based on current hydro linear rates, the 407 would pay \$620,000 in property taxes, with the city receiving \$205,000 as its share. The region of Durham and the provincially funded school boards would receive the remainder. We feel this is a reasonable proposal that would be welcomed by almost every single stakeholder. We are confident that the province will have full public support should it choose to adopt this proposal, as there is a widespread perception that Highway 407 is fleecing its customers with frequent and unjustified toll hikes. More importantly, this initiative would generate revenue for the province through educational levies. All it would require is for an amendment to the Assessment Act to revoke Highway 407's current exemption status.

For the last three years, the city of Pickering has paid over \$1.15 million per annum in provincial sales tax. The province already provides an exemption to the PST to municipalities on salaries and wages and portions of capital projects. However, we're asking the province to amend the Ontario Retail Sales Tax Act by extending this exemption to all municipal payments. This would, in fact, mirror what has been done by the federal level of government. This single action would have a tremendously powerful effect on municipalities' ability to balance their budgets and invest in greater community infrastructure. The province currently provides unconditional and conditional exempt status to a number of existing goods and services. We feel the provision of municipal services is an essential service. Therefore, it would not be unreasonable to make the argument that a municipality should be exempt from making PST payments as it provides services that have a direct impact on the health and safety and quality of life of its residents.

Recognizing the province has inherited a financial deficit, the city of Pickering is recommending an eight-year phase-in period with a 1% reduction in PST payments commencing in 2004. In the first year alone, a 1% reduction in PST payments would equate to approximately \$137,500 in savings that the city could utilize to support and/or expand existing services. That in fact is one half of 1% of the tax increase in the city of Pickering.

Currently the Ontario Realty Corp. has a large number of properties across the province that are either being underutilized or are not utilized at all. We feel the ORC is not actively evaluating its inventory and divesting itself accordingly of suitable properties. A resource not being used effectively is money wasted and opportunity lost. This is a major concern, especially to affected municipalities that may have an active interest in a specific government-owned property. One of the province's mandates is to stimulate economic development. The province can reach this mandate by giving municipalities the opportunity to develop surplus ORC lands.

In Pickering alone, there are valuable MTO lands located at Highway 401 and Liverpool Road that have

been sitting vacant for almost 20 years. We want to obtain these lands and develop them to help revitalize our downtown core. However, our requests to purchase the land from the province have been unsuccessful. Even after several years of lobbying and negotiation, the lands continue to just idly sit there. As you are aware, the draft Places to Grow Act identifies Pickering's downtown as a priority urban centre. Therefore, we are requesting that these lands be released at the earliest opportunity in order to fulfill both the province's and the city of Pickering's similar mandates on economic development and urban intensification.

We are also asking that the Highway 407 lands be made available for commercial development. It is recognized that these lands represent a vast untapped employment corridor. There are many corporations waiting for the green light. Let's facilitate this to encourage greater economic development and develop new employment centres to reduce gridlock and congestion.

Further, the city of Pickering recommends that the ORC sit down with all municipalities to review its current inventory list and determine which property should be retained and which should be sold.

Typically, when the ORC releases a property, and it is first made available to provincial agencies, we recommend that municipalities be placed at the top of the buyers' list and given the first right of refusal to purchase. Our concern is that available lands may be unnecessarily delayed at the provincial level, should they have to be evaluated first by a long list of existing agencies. Consequently, municipalities may be in a more advantageous and responsive position to act quickly on developable lands.

Furthermore, should municipalities identify provincial lands for economic development, infrastructure or urban intensification purposes, we recommend that lands be donated in kind or sold at a substantially discounted rate, as these objections support the promises mandate for healthy and strong communities.

Libraries are in trouble. With the downloading of services from the previous government, many municipalities have had to slash funding in key areas in order to balance their budgets. Unfortunately, municipal libraries were often on the receiving end of these cutbacks.

In addition, library grants from the province were slashed in 1996. That's almost a decade of hardship. Compounding the problem is the population explosion in the GTA. GTA libraries have had to service more patrons, while receiving less funding from the province and their respective municipalities.

The Chair: You have about a minute left in your presentation.

Mr. Ryan: Thank you.

Using the city of Pickering as an example, our population was 78,000 in 1995 and provincial grants were \$151,000. Twenty years later, with an increase of over 20% in population, we still only receive \$97,000 in funding, which is really a decrease of 35%. We're not unique.

Development charges are a necessary fiscal instrument for municipalities to help offset capital costs. We've been hit hard again with a cutback on them and what we're allowed to spend them on. Today, our hospitals are in the midst of another funding crisis. It's flashed across the front page of the newspapers. We need to find additional sources of funding, and we need to have the flexibility in the development charges to better enhance the infrastructure.

When we build houses, and even when we build businesses, we have to build supporting structures within our municipality. It's not fair to put the balance of those payments on our existing taxpayers. Development has to pay for itself, and the way to do that is through DC, development charges. We know the development industry is going to resist, but we think it's something that's necessary and something that needs to be done.

The greater Golden Horseshoe region has been identified as one of the fastest-growing areas in North America. We need to build strong, prosperous communities with a healthy environment and non-paralleled quality of life. We have an opportunity in Pickering, in the Seaton development, and we are asking that you help us in developing an energy centre of excellence in Seaton. We hope to create a partnership among the stakeholders to develop, implement and promote energy conservation strategies. A new community where we have energy-efficient homes would be a good step in this direction.

The various ministries in the McGuinty government have put together a series of good programs and legislation that will have a profound impact on the quality of life in our province. The major concern is that the ministries will not implement these programs in a cohesive manner. To be successful, the ministries must stop operating as silos, working independently from each other. We need the McGuinty government to pull all the pieces together in a seamless manner so that the legislation and programs complement and enhance each other.

In its current state, the draft Places to Grow Act is encouraging growth, economic development and urban intensification. However, the draft greenbelt plan is limiting our ability to plan for and determine the growth within our borders. Conflicts such as this must be addressed. What we need is a rationalization of the service delivery model. We are asking the province to work with the municipalities to redefine that model.

The McGuinty government has shown it is receptive to doing things differently, as long as it is better. Working with municipalities is a different approach, and it is the better way.

Ladies and gentlemen, we thank you for your attention.

The Chair: Thank you, and the questioning will go to the NDP.

Ms. Martel: Thank you for being here today and for raising a number of issues that are affecting the municipality. I won't be able to deal with all of them; let me ask about the draft greenbelt plan. In your position as the

mayor of Pickering, can you tell the committee what concerns you might have with respect to the proposed boundary?

Mr. Ryan: The proposed boundary has been arbitrarily drawn, from our perspective. We ask to be shown the science that has, in fact, created that boundary. Our municipality, along with other municipalities throughout Ontario—well, in the GTA where the greenbelt is—had invested heavily. In the city of Pickering, it was called a growth management study. We have the science; we can demonstrate it. It is an independent report created with the necessary expertise, and that needs to be given due consideration.

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Ms. Martel: So you've made a request to the province for the science behind the boundaries but also made offers to the province for sharing the information that you have so that, for example, there wouldn't be duplication of a two-year or three-year planning process that you've already undergone.

Mr. Ryan: Exactly. The government is currently undertaking their own planning process and virtually ignoring the work that has already been done, and that's an undue extra cost.

Ms. Martel: So you've made this offer. Do you have any idea why you're not being taken up on the offer?

Mr. Ryan: I think there are some ideologies that are involved, some policy statements that, quite frankly, were initiated with the previous government. We're continuing to feel the adverse effect of that.

Mr. O'Toole: Come on, Dave. Get with it.

Mr. Ryan: I'm sorry, Mr. O'Toole.

Ms. Martel: But there is a new plan and a new government, and if you have made the offer to the new government, I'm wondering why they would feel bound by something that the old government has done. An offer to provide information is not an ideological matter, in my perspective.

Mr. Ryan: I'm not going to try to figure out the motivation of either of the governments. I can only tell you the impact it has on our municipality. The impact that it has on our municipality is negative. There's no other way to phrase it. It's a negative impact because it is unfairly and arbitrarily restricting growth in the municipality, in particular with the plan that we currently see coming forward, called the van Nostrand plan. There is a limitation to employment opportunity, significantly, by about 30% less than what our growth management plan provides.

Ms. Martel: We've heard this request, I guess, from a couple of sources that information be shared. People are representing all different kinds of interests, so I'm not going to go there, but I think there's a legitimate concern that can be raised or a legitimate request that can be made to the government to say that maybe there are some more opportunities for sharing and we should at least look at that, without getting into who's on what side of that issue.

Mr. Ryan: Exactly. The issue isn't what is ultimately the right answer; the issue is how we get there effectively

in terms of the costs associated with it and in terms of the confidence that the general public has in the ultimate outcome. That needs to be demonstrated through an objective sharing of the information and a true reliance on the science that is available.

Ms. Martel: I wanted to ask a question about the 407. I think your idea of having the corporation pay tax is a good one, now that the courts have said that Mr. McGuire can't do what we knew he couldn't, which was deal with the tolls. Maybe it is a good way for some of those drivers who feel like they're getting ripped off—and they are—to feel like they're getting some kind of compensation. Outside of this committee, has a municipality made any formal request to the Ministry of Finance, for example, by letter or by whatever intervention for that to be considered?

Mr. Ryan: Not on this particular issue. That's something that, as we're putting out heads together and figuring out what would be meaningful in our presentation today, we will be following up on.

Ms. Martel: OK. Thank you very much.

The Chair: Thank you for your presentation.

WHITBY CHAMBER OF COMMERCE

The Chair: Would the Whitby Chamber of Commerce please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I'd ask you to identify yourself for the purposes of Hansard.

Ms. Laura Hammer: Good afternoon. My name is Laura Hammer, and I have the privilege of serving as the President of the Whitby Chamber of Commerce. First of all, I'd like to thank the members of the Legislative Assembly's standing committee on finance and economic affairs for acknowledging our request to make a presentation during the pre-budget hearing process. We are very pleased that you are here today in Durham region, and it is the hope of the Whitby Chamber of Commerce that you will take to heart the presentations being brought forward.

To provide you with some background on our organization, the Whitby Chamber of Commerce is the largest business organization in Durham region, with over 800 members. Our membership includes businesses and business professionals from Whitby and across Durham region, as well as the greater Toronto area. Having recently celebrated our 75th anniversary, we have a long and proud history of working on behalf of our members and for the community that we serve.

A recent Canadian Business report listed Whitby, along with Oshawa and Clarington, as one of the country's best cities for business. Whitby is situated geographically in the heart of the region, and we are proud to be Durham's business centre. We want to ensure that this status continues, and we are in a position to encourage a business-friendly climate in our community that will see enhanced growth and economic activity.

Having said that, we also know that growth and economic activity do not occur in isolation. Active and aggressive measures need to be taken in partnership with local, provincial and federal governments as well as the existing business community and business advocates to ensure that growth is real and sustainable. Private partnerships and entrepreneurial endeavours are part of that equation, but governments also have a vital role to play to ensure that the economic climate is positioned to encourage economic development, research, investment and innovation.

One item that we feel needs to be addressed during these consultations is tax reductions. The Whitby Chamber of Commerce has gone on record many times, as has the Ontario Chamber of Commerce and the Canadian Chamber Commerce, with their position on tax reductions and their effect on the economy. Putting more money into the hands of individuals and business people in Ontario in turn puts more money into the economy. It keeps the economic engine going, generates revenue for government and energizes the local economy.

Overall, tax reductions are important, but removal of the corporate capital tax should be a priority. Canada is the only G7 country to levy the corporate capital tax, and that has a significant impact on Ontario's competitiveness and ability to attract new investment. The pre-budget submission from the Association for the Abolition of Capital Taxes states that low levels of investment have been identified as the single most important cause of low productivity in Canada, especially when compared to the United States. Ontario and Canada should be encouraging productivity and investment and promoting our competitiveness, not taxing the business community for productivity. The capital tax is clearly a disincentive for companies looking to expand their operations into Ontario. Eliminating the corporate tax would increase capital investment and increase corporate tax revenues.

In previous budgets, the province of Ontario has stated its commitment to a gradual elimination of corporate tax by 2012, but we feel that this time frame is too slow. We would like to see both the Canadian and the Ontario government fast-track their timetables for elimination of this tax. We urge the government of Ontario to examine the benefits to investment by at least matching the federal government's timetable by removing the capital tax by 2008.

Looking at transportation: Over the next 30 years it is estimated that the number of people living in our province will increase substantially, with the majority of them expected to settle in the Golden Horseshoe area. The greater Toronto area is one of the fastest-growing metropolitan areas in North America and, within that area, Whitby is one of the fastest-growing communities, as noticed by Statistics Canada. A number of challenges come with this kind of growth to our community. Transportation is one of these challenges and an issue of major concern to the Whitby Chamber of Commerce. We are in critical need of an additional east-west corridor to allow for the improved movement of goods and services and people into and out of Durham region.

The Highway 407 extension project needs to be completed to Highway 35/115 as soon as possible. Adequate, reliable and efficient movement of goods and services across Durham would be a definite benefit to existing businesses and an incentive for new business to locate here. The 407 project has been discussed, debated and studied. The timetable for this project needs to be moved ahead to be fast-tracked so that it can eventually proceed. The transportation corridors are, and will continue to be, the economic arteries for our community and for Ontario.

Increased congestion, gridlock and border delays hinder Ontario's economic competitiveness and will continue to do so unless addressed quickly. The growth plan for the greater Golden Horseshoe introduced by Minister Caplan does include a comprehensive transportation strategy, and we are pleased that he has given his priority to transportation issues, but we would like to see it improved immediately.

The Ontario Chamber of Commerce shares our concerns and supports the eastward extension of Highway 407. While we recognize that the province has initiated the environmental assessment for the 407, we request that this be fast-tracked and given the highest of priorities.

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Our hospitals and educational centres need to be able to serve our expanding community. Businesses looking to invest or locate in Whitby will be looking to see that their services are available for their needs as well as for their workforce. Lakeridge Health Corp. has been facing budget constraints, as have hospitals across the province. While the recent announcement of additional funding for hospitals made by the Honourable George Smitherman is welcomed, long-term sustainable funding is required. In addition, our community has been designated as an underserved area for physicians. The town of Whitby has launched an aggressive physician recruitment program, and the chamber has agreed to partner on this project to attract more family physicians to Whitby. Stable and adequate funding for hospital services is necessary, and additional funding, increased enrolment and training for new physicians, plus incentives for them to go into family practice, are required at the provincial level.

Whitby is also well served by Canada's newest university, the University of Ontario Institute of Technology. It's imperative, as this university continues to meet the needs and expectations of its ever-growing student body, that funding for this institution remain a priority. The university has provided and will continue to provide tremendous economic benefit to the entire community, Durham region and Ontario. UOIT has already shown that it is a centre for excellence. Their research, innovation and technology will provide the fuel for the economic engine of Durham region and Ontario. Additional funding for capital for the university needs to be made. This is an investment in our future and cannot be overlooked when the budget is being prepared.

The Whitby Chamber of Commerce recently held our business achievement awards, and the Honourable Bob

Rae was our special speaker for the event. The former Premier spoke to the business community in attendance about the need to make substantial investments in education. He acknowledged that there are difficult choices that face all governments, as there is a limited amount of tax funds for existing and new programs and services. However, he passionately declared that the education of our youth is the foundation of our vision for tomorrow. Investments must be made available to ensure that our workforce is ready to compete and excel in a global economy.

One of the investments must be made in the area of skilled trades. We are facing a future shortage of skilled labour and apprentices in Whitby and in Ontario. Funding and/or incentive programs for apprenticeship training should be ongoing and increased. A recent study by the Ontario Chamber of Commerce showed that 52% of all skilled tradespeople are expected to retire in the next 15 years. It also states that 41% of the businesses surveyed were predicting that they will face a shortage of skilled workers within the next five years.

More attention and emphasis must be placed on skilled trades as a viable career option, and that must start with education. Changes to the provincial curriculum need to address this problem more effectively.

The Chair: You have about a minute left in your presentation.

Ms. Hammer: Thank you.

We do recognize and applaud the province for putting into place tax credits for businesses that hire students enrolled in co-operative education and technology-based programs. We feel that the Ontario youth apprenticeship program is also helpful, but further incentives at both the educational and employment levels need to be made in order to address the shortages we face.

Another item I'd like to bring forward on behalf of the Whitby Chamber of Commerce is our concern about the infrastructure funding that was highlighted in Places to Grow: Better Choices, Brighter Future—A Growth Plan for the Greater Golden Horseshoe report. We are concerned that the proposed designation of priority urban centres within the GTA does not include Whitby. It is our view that Whitby, as part of the Oshawa census metropolitan area, has all the criteria that constitute a priority urban centre. Whitby has been for the past 10 years, and remains today, the fastest-growing municipality within Durham region. In fact, Whitby has attracted over \$2 billion in new investment during the past 10 years. Whitby greatly contributes to the economic growth and progress of Durham region. Whitby is the leader in economic and population growth in Durham. Having the designation of a priority urban centre is vital in order to continue growth at the levels already achieved.

In closing, I would be remiss if I didn't include a plea for the Durham region courthouse. We have lobbied the Attorney General to move forward with this project, as it is long overdue. At the end of December, the minister announced that we would indeed be getting our regional courthouse. We are pleased that he understands the need

for a consolidated courthouse is a priority for Durham region. However, this is the third government and the third political party to make this announcement, so while we're very hopeful, we want to see concrete, decisive action. We would like to have a location chosen and a firm date for construction of this very much needed facility so that we can finally see this project come to fruition.

Thank you for your attention and for permitting the Whitby Chamber of Commerce to go on record with our views. We sincerely appreciate the opportunity to participate in the pre-budget hearings process.

The Chair: Thank you. The questioning will go to the government.

Mr. Wilkinson: Thank you for coming in. I'm a member myself of the Stratford and District Chamber of Commerce, and I'm a certified financial planner and a small business person.

I've got a question for you, because you have a long, long list here about how you need more money for skilled trades, more money for the university, more money for the college, more money for health. You want to get the 407 extended. You want more money in infrastructure.

Interjection: The courthouse.

Mr. Wilkinson: The Durham courthouse. I remember an Attorney General who used to come from Whitby-Ajax and didn't have one.

Then you also said, "Yes, but could you cut some taxes?" Now, I'm just a small business person. I've got revenue; I've got expenses. This committee has to give a recommendation to the minister as to which things are more important. Do we cut taxes and forget about all of those investments, or do you think it's better for us to make all those investments in the future so that we have skilled workers and an innovative economy? You can't have it both ways, so I'd like an opinion from Whitby. I remember when one particular party wanted to cut taxes. We ended up with more debt, and that has burdened us now.

Mr. O'Toole: No, we didn't.

Mr. Wilkinson: Yes, we did. I remember that in 1995 the debt was \$95 billion. It's a lot more today.

What I'm trying to do is get a sense of which thing has a greater priority: all those things you listed that you want money for, or speeding up the elimination of the capital tax.

Ms. Hammer: That's really a good question. I would like to bring forward the fact that eliminating taxes doesn't mean we're removing money from the coffers. In fact, in looking at the basic economics, when you lower the corporate tax rates, we end up generating revenues by having people spending. So I don't believe that asking for lower corporate tax rates is going to take away what we need on the other side.

We have our list that we've given you, and you're asking what would be the priority, which is a very good question. Our main priorities are education—we are in a very serious situation when it comes to skilled labour.

We also need to look at post-secondary education: not only the skilled labour, but helping us with the post-secondary. If we're going to look at a sustainable future, we need to have an educated workforce. The next item on the priority list would be the extension of the 407, again to help us with ensuring sustainability, in order to be able to get people in and out of Durham region.

The Chair: Thank you for your presentation.

AJAX-PICKERING BOARD OF TRADE

The Chair: I would now call on the Ajax-Pickering Board of Trade to please come forward.

Good afternoon. You have 10 minutes for your presentation, and there may be up to five minutes of questioning following that. I'd ask you to identify yourself for the purposes of Hansard.

Ms. Joan Wideman: I'd be glad to. Thank you for inviting me. I'm representing the Ajax-Pickering Board of Trade. I'm the president. My name is Joan Wideman. I'm also involved in a privately owned company called the Lenbrook Group of Companies in Pickering.

We are not necessarily in conflict mode. We're in encouragement mode today, so that's the way I'm presenting my remarks on behalf of our government relations committee and our board of trade.

We are celebrating 50 years as the voice of business in our community. Our business membership includes representation of every size and sector of business, including large enterprises like OPG, Volkswagen, Hubbell Electronics and other distributors, right down to the small sector and single owner. This board is fully integrated and interactive within the community with all levels of government and community leaders on issues related to business. We encourage business improvement practice and celebrate excellence in our business community.

We appreciate this opportunity. I'm going to list my priorities, but not in priority order. These are priorities determined by our membership through surveys and also through meetings on the subject.

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The first one for us is transportation. We encourage this provincial government to have long-term and short-term goals, policies and financing that will ensure the necessary transportation infrastructure in Ajax-Pickering and Durham region that will ease the movement of goods, services and people, both consumers and our employees. Ajax and Pickering are specifically impacted by the slowdown in development and inadequate expansion of the 400 series highways. We need this coming into Durham, and we need it developed quicker. We also have a strong need for GO train services, especially in light of the tremendous growth that is predicted for this area, and in light of the Seaton lands development project and the possibilities of a Pickering airport. That transportation infrastructure is high on our priority list.

Energy: Durham, and specifically Ajax-Pickering, is very energy conservation focused, possibly due to having the Pickering and Darlington nuclear stations in our

midst. We are very conscious of the need to deal with the issues of the current energy grid that will support current and short-term future needs. We encourage this government to continue to review and legislate policies and funding which will educate and encourage energy consumers, both business and residential, toward better energy conservation and funding for Ontario research and development of affordable, environmentally friendly alternative energy resources. We know you would have received strong support for these endeavours from our board, our membership, our municipal government, Durham region and the University of Ontario Institute of Technology.

Economic development: Our business community encourages this government to develop policies that encourage and stimulate growth by reducing the corporate tax burden and through policies that make it easier to do business in Ontario. This will attract international companies to our province and will stimulate the birth and development of new businesses and services. This government is encouraged to provide more assistance for business in import and export, not necessarily through direct funding but through provincially driven trade mission work with the business community, fostering international business relationships, providing ease of access to information and, of course, constant review of cross-border issues.

Health and wellness: Our business membership is very involved in the community fundraising and financing of the local hospital. We recognize the value of this service to our employees and their families as well as to the business community throughout the work day. We encourage this government to continue to develop these community hospitals so that services continue to be accessible, available and reasonable. The provincial government also needs to keep health care as a high priority, but we encourage you to put funding in place with an emphasis on education regarding preventive strategies and healthy living. Encourage business owners toward this in the workplace with incentives if you can. A healthier group of employees and their families will ultimately assist in the reduction of WSIB costs and allow the focus of health care financing to be on research toward cures for diseases and viruses that are not related necessarily to lifestyle.

Education: The board of trade partners with the educators in our community. We encourage this government to continue to develop the University of Ontario Institute of Technology. We need access to post-secondary education for our employees in current technology provided through institutions like this. We also encourage the government to keep employees working. It is unfortunate that we have focused the majority of incentive funding in education toward the unemployed. We need to incent employers to keep employees trained and employable through training. We need to establish policies and funding to bring Ontario's digital information training standards to a higher level and to standardize to a common standard of basic computer training, starting

with post-secondary institutions but heading toward elementary schools, similar to what is being done in New Brunswick and in some of the US states.

Other infrastructure issues: Ontario used to be a leader in communication networks and development. Now we're falling behind countries like China in these systems. Our infrastructure communication systems are aging and have not been able to keep up. In order to compete in the global marketplace, the government must support the build-out of new wireless technology throughout the province, not just in sections of urban areas or along 400 highway corridors. We must be able to establish wireless network environments and access to faster, stable communication systems for our businesses on the perimeter of the GTA, both in the workplace and in residences. Our economy will be hurt if we fall further behind, and businesses will move to countries where standards are better and more affordable.

A couple of issues related to government practices: Our board of trade continues to recommend that all levels of government regularly look at their business practices, their processes, structure and services to reduce cost, reduce and remove duplication of services between departments and levels of government, and assess their customer service standards to the Ontario public and business sector.

We encourage the government to invest in more communication with the business sector through the Ontario Chamber of Commerce movement and to keep a finger on the pulse of the economy from the perspective of the business owner. This partnership could bring tremendous two-way value to both of us.

That's my summary.

The Chair: Thank you very much. This round of questioning will go the official opposition.

Mr. O'Toole: Thank you very much for your presentation. We heard many of the comments just made in the presentation from the Whitty chamber, talking about competitiveness in the broader sense, meaning the capital tax; Mr. Wilkinson, as a financial planner, may need to redo that course.

But the question I have concentrates primarily on four items that you've outlined here. One is a current issue. I see the chair of Durham region sitting here; he might want to pay attention to this one: the transportation integration issue before Durham region. In light of all the discussion around smart growth and urban growth and development and the pressures in Durham region, one of the pieces that I'm very supportive of is the extension of the 407 east. With the current battle the government has with the 407, I think you won't see one pail of asphalt in Durham region on the 407 while they're in government because they're fighting with the 407 organization. That's how they'll use that leverage.

Transportation in the broader sense—I'm talking about public transit. There's a big discussion about integration of public transit in Durham region. I'm going to ask you a specific question. On behalf of your organization, would you support an integrated regional transit

system which allowed lower-tier municipalities—Ajax, Pickering, Whitby and Oshawa—that have transit systems to maintain their assets, liabilities and employees and allow the upper tier to be the transportation logistics operator? Integrating a system with GO Transit and inter-regional transit at the GO level—do you understand what I'm saying?—as opposed to having one big transit system.

Ms. Wideman: Yes, I do.

Mr. O'Toole: Actually, I live here, I pay taxes here and that's the plan I support. Any large transit system that means a transfer of employees, assets and liabilities is going to cost those who live in the country—most of my constituents live in the country—more money, when in fact you're getting the gas tax—there's an opportunity here. What I'm asking is—Ajax and Pickering have some integration going on, Oshawa and Clarington have some integration going on and the ownership issue—

The Chair: We have about two minutes.

Mr. O'Toole: Two minutes? Oh, that's good.

Ms. Wideman: Mr. O'Toole, I might be able to respond in this way: First of all, I'm not allowed to speak on behalf of my association unless I have surveyed them on this particular question, and I would be happy to. What I can say is that before the recent media told us that this regional transit issue has gone to bed, we were very involved in asking our membership about it. In fact, a survey went out last week, which we are just in the middle of receiving returns on. So I can respond as soon as I have finalized that on that level.

We are more concerned in transportation with the fact that many of our companies deal internationally and have huge problems getting to the airport and back with their product and paying tremendous fees for things like that. Then we have the access—

Mr. O'Toole: Yes, you want the 407.

Ms. Wideman: We do, but we also want access so that we can employ people from Oshawa and then get to Pickering or Ajax without paying huge funds and spending an hour and a half on top of it.

Mr. O'Toole: I think they've actually done quite a good job on transit. I just think there is an opportunity here for the province to recognize the work the region of Durham has done. It's a young municipality, in terms of its growth, it's fresh and its transportation infrastructure isn't as permanent as Toronto. There's an opportunity here for the first tier to roll it out as it is and expand on it based on integration with GO Transit.

Ms. Wideman: We would welcome that, because many of our employees live in the north and travel to the south and have children who go to educational institutions either in Durham or outside and need transportation. We would welcome those discussions.

Mr. O'Toole: I'd like to see the gas tax, and would, for one, like to be on the record as saying that I'm very supportive of all portions of Durham region being part of the gas tax, including the rural part, so we can have the first phase of what I'd call a transit-wide system, which would eventually, as we grow to one-million-plus people,

be fully integrated and include GO Transit rail service right through to the end of Clarington.

The Chair: Thank you for your presentation this afternoon.

1400

ASSOCIATION OF MUNICIPALITIES OF ONTARIO

The Chair: I would call on the Association of Municipalities of Ontario to come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard.

Mr. Roger Anderson: Thank you very much. My name is Roger Anderson. I am president of the Association of Municipalities of Ontario. With me is Pat Vanini, the executive director of the association.

The Association of Municipalities of Ontario is, I believe, well known to the committee members. AMO has been representing the interests of Ontario's municipal governments and advocating on behalf of property taxpayers in this province for more than a century.

Last year, when AMO made its pre-budget submissions, it acknowledged that the province had finally begun to treat municipalities as an order of government rather than as a stakeholder. Over the past year, further progress has been made in forging a provincial-municipal relationship that recognizes that the two orders of government must work together to build strong communities in Ontario. Ontario and its municipalities have also made progress in working with the federal government to advance the interests of communities of all sizes. In fact, the protocol signed this past summer provided the first guarantee in Canada that federal new deal money for municipalities would not be clawed back by the provincial government. This achievement will benefit every single municipality in the province.

There are a number of examples of other important advances, but suffice it to say they recognize that the same voter elects the federal government, the provincial government and the municipal government. They recognize that this one voter has the same expectation of us all, and that is to work together.

In 2004, AMO adopted a vision for Ontario's municipalities: In Ontario's municipalities, people and families can live, thrive and prosper in the communities they call home, and children will have the choice and the opportunity to live and work in the communities where they were raised.

It's an ambitious vision, but we believe it is attainable. We recognize that Ontario's communities have a long way to go, and many barriers have grown over the years that impede our path as we embark on making this vision a reality.

Municipalities deliver and fund a wide range of municipal services that people and businesses in our communities rely on. But as a result of historic anomalies in

financing arrangements and with downloading, Ontario municipalities are in the unique position in Canada of being required to subsidize a wide range of provincial health and social services without the means to pay for their own responsibilities, particularly hard infrastructure like roads, bridges, transit, and sewer and water systems.

The result is that we have the highest property taxes anywhere in Canada and an infrastructure deficit that affects the health and safety of every resident and the economic competitiveness of our communities, which spills over to the province and our nation. It is a situation that affects communities of every size in this province. It reflects systemic problems in the fiscal relationship and bad public policy. Building strong communities in Ontario will require new fiscal arrangements that are rational, sustainable and fairer to property taxpayers.

In the longer term, the only way to address the real fiscal imbalance that municipal governments face is to end the province's reliance on property taxes to fund provincial health and social services and other provincial income redistribution programs that were downloaded in 1998. We need to begin planning now to make these changes, to be in a position to take advantage of an improved provincial fiscal situation as it happens. And we need to be in a state of readiness should the province's fiscal situation happen to worsen. Property taxes should not and cannot bail the province out of any of its fiscal situations.

According to the 2004 budget, Ontario's plan to address its own fiscal deficit will see a balanced budget in 2007-08. A balanced budget for Ontario in 2007-08 will allow the government to finally address the fiscal deficit that successive provincial governments have created for Ontario's municipalities and property taxpayers. While a balanced budget will have to wait until 2007-08, there is much the province can do before then to address the pressing concerns of our municipalities. This submission highlights some of those key areas.

In the 2005-06 budget, action is needed on three fronts: action that improves municipal revenues, action that reduces municipal costs and actions that address non-revenue issues.

Municipalities need immediate access to new revenue tools that will allow them to generate revenue to fund key services in the community.

There is a range of opportunities to dedicate a share of tax revenues to improving municipal sustainability. Municipal property taxes have grown 6% from 1997 to 2002, whereas consumption taxes have grown by more than 22% and income taxes by 15%. So municipal property tax revenues grow more slowly than consumption taxes, for example, especially in periods of strong economic growth, precisely when municipalities face escalating service costs.

There is a broad range of provincial taxes in areas where municipalities sustain costs but receive no revenue. The gas tax is a good example. While municipalities operating transit services are finally receiving a

share of provincial gas revenues, all municipalities in this province face high costs of rehabilitating roads and bridges that likewise serve the movement of people and goods. Extending a share of gas tax revenues to fund construction and maintenance of other parts of our transportation system cannot be ignored. This would be preferable to increasing gas taxes and allocating the additional tax revenue to municipalities for roads and bridges. Similar models could be applied to a variety of so-called "sin" taxes or to other areas of provincial taxation or gaming revenues.

In previous pre-budget submissions, we have requested a surcharge on fines, similar to the surcharge for the victims' justice action fund, to help municipalities with growing costs for their role in the administration of justice. We, as municipalities, provide security for courts and transportation of prisoners.

Municipalities should have the ability to collect fees and charges related to the private use of public rights-of-way. The Ontario Energy Board agreed that gas companies should pay permit fees to municipalities for locating facilities and work on public rights-of-way. Repealing regulation 244/02 would reinstate the OEB's principled decision.

Many communities are struggling with raising capital for hospitals. The Development Charges Act must be amended to reinstate the ability of a municipality to collect growth-related charges for capital costs for the building of our hospitals. The act must also give municipalities the flexibility to determine what other services and levels of contribution new growth brings to transit and other current ineligible or service discounts that were introduced in the mid-1990s. The act must also be reviewed to ensure that it will fully support the costs of new types of development that are consistent with the province's new approach to growth management.

AMO believes that the overall objectives of these programs are laudable. Everyone benefits from sustained agri-business and sustainable forests. But from a public policy perspective, requiring rural property taxpayers to fund these provincial subsidy programs is bizarre and untenable. The province must upload these subsidy programs and fund them through income tax revenues.

I would be remiss if I did not draw the committee's attention to the serious issue relating to the provincial government's community reinvestment fund. The CRF was established by the previous government to offset some of the costs of local services realignment. Since its inception, the government's practice has been to provide year-end settlement of CRF costs to deal with costs that are larger than estimated at the beginning of the year. Many of the downloaded costs do grow yearly by virtue of policy changes of the province, population growth and changes to demographics. As a result, municipalities receiving CRF were anticipating a year-end settlement or reconciliation of 2003 CRF funding by the end of 2004 and reconciliation of 2004 in 2005.

1410

The Chair: You have about a minute left in your presentation.

Mr. Anderson: Last week, municipalities received a letter from the Minister of Finance and the Minister of Municipal Affairs and Housing indicating that they would receive funding for 2005 that was at least equivalent to unreconciled 2003 CRF, but there was no indication whatsoever that the CRF would be reconciled for 2003. I give you all fair warning that without CRF reconciliation, municipalities in the province of Ontario are going to be hurt, and the only person who's going to be able to fix the hurt is the taxpayer, by raised taxes.

There are 403 municipalities involved, and they're all anxious as they attempt to finalize their 2005 budgets. Because of this uncertainty, many will not be approving their budgets. Here's an example of why: In Sudbury, if there is no reconciliation, they are facing an additional 4.4% increase on top of a constrained budget that is already anticipating an increase in the neighbourhood of 5%. This is but one example.

Our members are facing absolute certainty that another year of subsidizing increasingly expensive provincial programs will result in a property tax increase in every community across this province.

You have copies of what I have to say, Mr. Chairman, and unfortunately the limited amount of time makes it difficult to include. As long as there are questions that don't take more than four minutes to ask, we'll be happy to answer them.

The Chair: Thank you, and the questioning in this round will go to the NDP.

Ms. Martel: Thank you for being here today. The questions won't take that long.

Let me start on page 6. Actually, I live in a community just north of Sudbury, so I have a fair idea of how the budget process is unfolding in our community, and it's a heck of a mess. Tell me, has AMO been able to get some preliminary numbers of what the funding shortfall will be to municipalities if there is no reconciliation, and then, from that, a sense of what the potential tax increases are going to be at the local level?

Ms. Pat Vanini: I can. We're gathering that information, and this is just a quick chart I made before I left that I'd be glad to leave with you, which shows, just on a sample basis, what some of the increase is. It ranges from a low in Elliot Lake of about an additional 1.5% to a high in Iroquois Falls of almost 10%. So we're finding that without that reconciliation, it's actually a pretty significant number.

Across the province for 2003, it's about a \$100-million burden, and when you add the reconciliation for 2004, which is a little harder to get a handle on because the costs for Ontario disability support and those programs significantly increase, it's probably well over \$100 million. So, totally, it's about \$250 million province-wide.

Ms. Martel: I haven't seen the letter. Tell me, what kind of reasoning did the letter provide with respect to why the reconciliation wasn't occurring at this time?

Mr. Anderson: I don't think the letter gave us a reason. It just didn't mention it. Now, we did meet with

the minister through the MOU process—and the minister was gracious enough to meet with the whole executive of AMO—and he is well aware of our concern.

One of the things we did ask for is that we needed a letter saying how much money we were getting today so that we could finalize our 2005 budgets. Some municipalities have already finalized them. We needed some assurances to at least know how much we were getting in 2005.

Ms. Martel: Are you going to get this same letter?

Ms. Vanini: We hope so.

Ms. Martel: I'm curious: What commitment did he make? I mean, you raised the issue with him; you're supposed to do that as part of the MOU. I hope the government's going to respond. What did he say to (a) Is there going to be a reconciliation or not? and (b) What is he going to provide to municipalities so they can finalize their budgets?

Mr. Anderson: The minister advised us that he was well aware of our concern, that he was going to take it back. I would assume it would go back to his staff and, I don't know, maybe cabinet or wherever it goes from him. But the message has been very clearly delivered to him, very clearly delivered to Minister Gerretsen, that reconciliation is an absolute must for municipalities.

Ms. Martel: So it was the Minister of Municipal Affairs you met with?

Mr. Anderson: No, we met with the Minister of Municipal Affairs and—

Ms. Martel: Both of them.

Mr. Anderson: Yes.

Ms. Martel: Well, it can't get much higher than that, so I don't know who else they're going to go talk to about what to do next. This is a rather bizarre situation for us to find ourselves in, and for you to find yourselves in, if the Minister of Finance can't give you those kinds of assurances and guarantees at the table. I suspect this matter is going to be pursued a whole lot more.

Let me move on from that. There were a number of issues that you highlighted here in terms of actions that you'd like the province to take. If you had to prioritize and pick the top three, what would they be, for the benefit of this committee? Is that a fair question to raise with you?

Mr. Anderson: Well, CRF, first and foremost; Bill 92 going through the House and giving the municipalities legislation that says the province wouldn't change rules without consulting with us; and a total 100% rebate on provincial sales tax. I don't know why we have to pay taxes to each other. It doesn't make sense.

Ms. Martel: Can I just ask you a question about Bill 92? I have some sense what the legislation says, but I'm also under the impression that there are no penalties anyway if the government decided not to consult with you or to do something that they hadn't promised. How much do you want to put into that, if there are no consequences, I guess is the best word?

Mr. Anderson: I don't know if it's a question of consequences, Ms. Martel. I think it's a question of, it'll

be in the legislation. All parties understand the legislation. I don't know any parties that purposely go around legislation to do something. I think if it were enshrined in legislation, the government of Ontario would have to meet with the Association of Municipalities of Ontario. It would be good for (a) the association and (b) all of our municipalities.

The biggest problem municipalities have is when governments make changes and don't understand all of the ramifications that could be impacted. If you change standards on policing or you change standards on meals for prisoners or you change anything, it impacts on municipalities. I think if you knew the impact at the end before you passed the legislation, some legislation might not go through the way it has.

Ms. Martel: Can I just make the point that there's supposed to be reconciliation of CRF as well, and you've got no guarantee from two ministers, who should be able to guarantee that, that it's going to happen. That's the point I'm making, right?

Interjections.

Ms. Martel: That's the issue, and you know it, a policy issue—

The Chair: Order, please.

Mr. Anderson: Mr. Chairman, I want to thank you for finding the time to allow AMO to appear. I know there was some confusion at the beginning. I would like to suggest that it was our fault for the confusion, but I'm not going to do that. Whosever fault it was, I would certainly like to thank you for finding the time to allow AMO to appear here. I'd like to thank Mr. O'Toole.

The association has been dealing with the provincial government for over 100 years. It's through correspondence and discussions like this that hopefully we can make little baby steps so that soon we can crawl up and actually walk up the steps—or maybe take a regional bus from one end of the region to the other.

The Chair: Thank you very much. The committee appreciates your presentation.

DURHAM COLLEGE UNIVERSITY OF ONTARIO INSTITUTE OF TECHNOLOGY

The Chair: I would now call on the Durham College and University of Ontario Institute of Technology to please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard.

Dr. Gary Polonsky: I'm Brad Pitt, movie star—

Interjections.

Dr. Polonsky: —but in my day job, I'm Gary Polonsky, president of Durham College and president and vice-chancellor of the University of Ontario Institute of Technology.

Dr. Sheldon Levy: I'm Sheldon Levy, vice-president at both.

Dr. Polonsky: Mr. Chair, may I begin?

The Chair: Yes.

Dr. Polonsky: Thank you very much for this opportunity, and welcome to our community. For members from the communities—in our case the community of Northumberland county and Durham region—and I know one or two of you from before, it's good to see you. I'll always remember, Shelley, that night in the Leg when you and Howard were taking turns babysitting the kids and running in to do service in the House. It's good to see you all.

1420

I'm going to make three very quick points and then defer to my colleague, Dr. Levy, for his remarks. One is, I'd like to thank you for just doing what you're doing. There's a cynicism toward politics, as we know, but personally I don't share it, because I'm a first-generation Canadian who is just so pleased to have ended up in Ontario and in Canada in the kind of society that we take for granted. My family fled a society that doesn't even know how to create a community such as Ontario. So thank you for getting into what I think is the toughest job in the world, which is politics.

Second, I'd like to say that we agree with other colleges and universities from which you've been hearing, so we will not take the time to repeat the points you've been hearing from them.

Just about an hour ago I received a fax about what at least some of you probably heard on January 17, when you visited London: the high-tech economy, the shortfall of skilled workers, the apparent and indeed genuine underfunding of colleges and universities, and the training gap. We agree with all of that, so we reinforce the points you've been hearing elsewhere.

In this particular community, as some of you who have visited often in your service of this community will know, there is a skills training centre that is sometimes regarded as one of the finest in the country as well as the finest in Ontario. If any of you would like to visit that on your way home, we could certainly arrange for a personal visit. It's quite an extraordinary resource for the people of Ontario.

I would like to move to the third point, which is unique to the University of Ontario Institute of Technology. Shelley is going to speak to it mostly, but I would just like to introduce it. We just made a recommendation to Premier Rae, in his review, that he consider recommending that there be a policy created for when a new institution is created. As you know, UOIT is the first university to be created from scratch in over 40 years and there has been a certain ad hockery in the way it has been developing. It is doing very well. It has met or exceeded every milestone, but it hasn't been an easy go, as has been widely reported in the Toronto Star and so on. So Shelley is going to describe now how the ad hockery is affecting students. Maybe, if there were such a policy in the future, it would help other new institutions coming down the road to avoid what we have experienced.

Dr. Levy: Thank you, Gary. I'll begin by explaining how I got here, in one minute. A number of us at U of T

were asked to lend a hand. I was vice-president at the University of Toronto and the first provost was vice-president at the University of Toronto, and we lent a hand. And the University of Waterloo lent a hand. So lending a hand and then a leg and then a couple of arms, I ended up at the new university.

What I want to describe to you is really a factual statement and just lay it out there. If you went to any ministry, they wouldn't deny that these are the facts. We might debate on the solution, so I will just stay with the facts.

Yesterday, the Ontario Universities' Application Centre issued its first public announcement of the applications for fall 2005, and for the second year in a row the university led the pack, with a total increase of 15.6%. The second-largest increase in the province was 5.6%. I mention that because it defines a continuing need that is being served by the institution and the awareness of students about the university. The university is now about 67% to 70% of the total applications of Trent, for example, and it's now in its fifth term or something like that. So the decision to create the university because of the need of the region is being borne out by the statistics.

If you turned to the headlines on the second page of the Durham weekly newspaper, *Business Week*, I think it was last week or two weeks ago, there was something about the businesses doing well in this region, and the credit—not all of it but a significant part, because I've got the headline—was to the new university that in the short term was now attracting high-tech industries to the region. So, again, not only for the students but for the general health of the economy, it was a good decision.

To go on to the president's comments, and these are all absolutely factual, the university's total building cost was \$280 million. Of that, the province of Ontario paid \$60 million. The balance of \$220 million is in one way or another having to be borne by the university and the college. I don't know, but I'm willing to bet that no other institution of any shape or form ever started in the province had to bear the capital cost of the construction itself—\$220 million of \$280 million. Where does that \$220 million come from? Well, approximately one third of it comes from the fact that we have to reduce our operating budget to be able to fund the mortgage on the \$220 million. That's equivalent to saying that we're taking it out of the classrooms and the labs and putting it to capital. One third, approximately, is funded by the college. So the college is funding the university by approximately one third. You can understand why the people in the college feel they are treated unfairly. Approximately one third is funded from fundraising, and that, in a sense, you could say is fair. That said, students who want fundraising for bursaries or scholarships might debate that point as well. When you take this amount of money from the university and the college, and it's just in its formative years, you can understand the difficulty that the university and college have in getting along.

This story and this woe are not unknown to the province. The province would say that we signed agreements to this effect, and they are right. The difficulty is, we had

no choice in signing the agreements to this effect and we are struggling to manage. The consequences of it are that if we were not helped with this by the province in at least the next two years, we would risk the accreditation of our engineering program. The consequences of trying to make ends meet would require us to have no full-time additional faculty as we grow, because we could not afford full-time faculty and would have to theoretically—and I say theoretically—find a solution using part-time faculty. You cannot get accreditation of an engineering program if you have a high proportion of part-time, and it's unfair to the students, who deserve a heck of a lot more.

Mr Rae is doing a review of the province. As Gary said and as every university and college president will say, there is underfunding. Well, I wonder what they would say if they knew or tried to manage in engineering on 25% less money than what is the average for universities, and in commerce, 30% less money than Ontario universities. Here I'm excluding the additional funds those universities have through endowments because of age and well-deserved reputation. This is just in fees and grants.

1430

The Chair: You have about a minute left in your presentation.

Dr. Levy: Thank you.

We will soon hear—touch wood, if I could find any—that we will be home of the Beacon project, which is a major effort of General Motors. This will come to the city. It will help Ontario and it will help Canada, and we will be a major player.

I will just leave it at this: There is so much potential for the university to contribute to the province and to the country, and there is so much potential for the college. All that we're asking is that you treat UOIT normally—not specially, just normally. Treat it as you would every other university in the province. Give it nothing extra, but give it nothing less. If you could treat it just normally, then I can assure you that not only would the decision be the right decision, but it would be repeated in other parts of the province because it would have been shown to be successful.

The Chair: Thank you. The questioning will go to the government.

Mr. Colle: This Beacon project—the Minister of Economic Development, Mr. Cordiano, has spoken to us about the great potential there.

In terms of enrolment, in what area is most of the interest? Is it in the R&D, high-tech area? Is it students coming right out of high school or people who are already in the workforce being directed?

Dr. Levy: Do you want to get it, Gary?

Interjection.

Dr. Levy: OK. First of all, I want to make a very quick comment that we are great partners with Trent University, which does the liberal arts on the Durham campus, which is unique. We're great friends with the great university, Trent. So we avoid duplication in the province. Our focus and our only programs are in job-

related programs, which are engineering, commerce and—

Dr. Polonsky: Sciences.

Dr. Levy: —the sciences. We are an institute of technology that was created to be jobs- and market-driven. So all of our increase is in that area because we have no other area.

Mr. Colle: Where would your typical student come from, especially your new students? That's really what I was getting at.

Dr. Polonsky: About 50% of our students are coming from Durham and Northumberland at the moment and 50% from elsewhere, with the majority of that 50% coming from Scarborough and Markham.

Mr. Colle: So it's the eastern quadrant of the GTA, essentially.

Dr. Polonsky: Yes, that's correct.

Mr. Colle: And are they students who have already been in the workforce? That's one of my interests.

Dr. Polonsky: Many are. I might just say how the number of 6,500 was derived by the government, in partnership with PricewaterhouseCoopers, who had done the market study. Durham region in particular, more so than Northumberland county, has had a traditionally enormous underparticipation of citizens in university education, principally due to lack of access. Like anybody else, we have our proportion of poor people, as well as people in the middle class. PricewaterhouseCoopers quantified that at 6,500 people, so if UOIT's enrolment grew to that, it would not take one student away from any other university. So here we are, working toward that explicit enrolment target, which we look to achieve, and it seems we will, by about 2010.

Mr. Colle: Obviously, your biggest challenge right now is that funding gap, where part of your operating cost is going toward the payment of your capital debt, that 25% you talk about, right?

Dr. Polonsky: Yes. The good news story in this is that, by instalments, in our industry, at least, which consumes several billion dollars per year, we're really talking about around there to just get us through the next two years, which would be the final two years of our first four-year cycle. So this is very much a short-term problem in terms of the operating challenge, and we've quantified it to be somewhere between \$4 million and \$4.5 million or so per year for the next two years.

Dr. Levy: Which is large money for a brand new baby.

Dr. Polonsky: Right. For you it might seem small; for us, it's quite huge.

The Chair: Thank you for your presentation.

ONTARIO VOLUNTEER EMERGENCY RESPONSE TEAM

The Chair: Would the Ontario Volunteer Emergency Response Team please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning. I would ask you to identify yourself for the purposes of Hansard.

Mr. Shane Harbinson: Shane Harbinson, executive coordinator with OVERT.

On behalf of the Ontario Volunteer Emergency Response Team, OVERT, I'd like to take this time to thank the committee for this opportunity to make a presentation today.

I sit here today as a representative of the most utilized community-based emergency response team in the history of Ontario. No other organization has been used more often by more of the professional services than the OVERT program has. To date, in excess of 80 emergency service agencies, including police, fire, EMS, social services, public health, EMAT, hospitals and local EMOs, are working with or have requested the services of OVERT.

As recently as last week at the CEMC meeting for Peterborough and Peterborough county, it was endorsed unanimously by the CEMCs to recommend to the city of Peterborough and the county of Peterborough to join the OVERT municipal partnership program. Also passed was a motion to have the county send a letter to the province requesting that the Ontario government match the municipal funding being provided by Peterborough and Peterborough county. These motions come on the heels of a similar set of motions in Northumberland county, where the CEMCs there also endorsed joining the OVERT municipal partnership program.

Additionally, although OVERT is absolutely swamped with municipal requests, we are working with other municipalities and cities that are looking to join the program.

I'd like to take a moment to provide the committee with some background information. OVERT is a completely new conceptualization and integration of the community with the front-line emergency services. In 1991, a community review initiative was undertaken in Ontario to analyze why community-based volunteer organizations were not being used operationally during major incidents by the emergency services. As is the current case for 99% of the community-based organizations in Ontario, it is a standard practice by the local emergency services to use community response groups "outside the tape" to support incidents, versus "inside the tape," which requires a higher level of training, experience and professionalism.

The subsequent report filed with a number of emergency response agencies in 1992 identified several reasons why community groups were not being used operationally. The report concluded with several recommendations, including the radical development of a new community-based second-tier response agency or STRA. Fundamentally, this second-tier response initiative would give to the local emergency services what the US national guard gives to the US army.

The report concluded that it was possible to integrate a large number of current and retired emergency services

personnel with carefully selected and highly trained community volunteers. This combination of personnel, as well as a focus on several specialized services, would allow for the first operational multi-community response organization in the history of Ontario.

Furthermore, since the report, it has become apparent that educated professionals within our communities are also a significant untapped resource. Throughout Ontario, every community has educated, experienced professionals from a number of fields who are looking for an opportunity to participate in a professional, community-based response initiative. Until the advent of OVERT, these community professionals did not have a vessel in which to participate, and many individuals have chosen not to join the more traditional organizations.

These members of our community are an untapped resource, as is evident in a report commissioned by Volunteer Canada which shows that 88% of all community volunteers in Canada are either retired or over the age of 45. As the STRA concept eventually became the OVERT program, it has been successful in creating a new community vision for volunteering where 60% of the core volunteer base is between the critical ages of 28 and 45. This age group is critical to the success of any community-based response program as it provides for volunteers who are generally at a stable time in their lives. As a result, this group stays with the program longer, eventually gaining years of response and training, providing a highly trained, qualified and experienced emergency response volunteer.

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One of the issues dealt with head-on was the costing of such a program. With that, OVERT has again been innovative, as proven by one of the more interesting facts to come out of the Peterborough flood disaster of 2004. The cost of utilizing OVERT versus our more traditional agencies was 30 times less per day.

In joining the OVERT municipal partnership program, municipalities are ensured that, other than major disasters, they will not receive additional billing other than a yearly association fee of 7.5 cents per resident. Even in the case of major disasters, the fee for OVERT service is strictly limited to direct costs only. Of note is that since its inception, only during SARS, when the OVERT program provided 55 days of service, was there any billing, which in the end worked out to less than \$100 per day or \$2 per volunteer hour. In Peterborough's case, the OVERT bill was zero, yet the program provided almost 1,800 hours of service over a four-day period.

I'm sure that each member of the committee will agree on the importance of volunteerism within their community. Volunteers have been and continue to be an important element of every community. They allow communities as a whole to achieve many things which, without the use of volunteers, would be cost-prohibitive.

Community involvement in emergency operations and incidents is an obvious transition that has occurred in many countries throughout the world. Canada and, in specific, Ontario lack the integration of the community

with front-line emergency services. This ensures that throughout the province we have an untapped resource that could be used to address the lack of surge capacity that our emergency services have to deal with major incidents.

Our emergency services are not blessed with an unlimited budget. During the most recent review by the justice committee on the Ontario emergency management statutes, I had the opportunity to sit on the emergency services panel with the EMS, the OPP, the Ontario fire marshal's office and the Ontario Association of Chiefs of Police. During our presentations, it was noted by all the participants that each one of them lacked significant surge capacity throughout the province. While not the only answer, the OVERT program has been recognized by many of the services as being able to provide critical assistance surge support to all of the emergency services in their time of need.

Unfortunately, although the emergency services budgets are limited and primarily based on day-to-day call volume, major emergencies, disasters and incidents continue to happen in our communities. Emergencies tend to be incredibly expensive to both local and provincial government.

One of the most interesting aspects of the OVERT program is that it has been able to expand and continue to grow and improve itself without the funds necessary to provide the infrastructure necessary to support the volunteers. For this program to continue to grow, and certainly for OVERT to reach its full potential, we need to look at finally providing the infrastructure necessary to support the volunteers.

I think the most telling success of any organization is in the amount of interest it generates, specifically from those looking to incorporate or adopt the program. From this perspective, OVERT has been more than successful. The number of interested municipalities and the interest generated in communities looking to incorporate the program is nothing short of astounding.

From fire departments, EMS, police, social services, EMO, public health, EMAT to our hospitals, we have in OVERT a program that can and, more importantly, does provide them with services when they are overwhelmed and require assistance.

OVERT is revolutionary in many respects. It brings people together from hundreds of communities to help each other. It has the interest and support of both the management of the emergency services and their front-line workers.

I sit here before you today to ask that the Ontario government commit itself to matching the municipal funding OVERT is receiving. Additionally, we're asking the Ontario government to provide a base funding of one cent per Ontario resident to support our province-wide response initiatives.

Again, on behalf of the organization, I'd like to thank the committee for being here today.

The Chair: Thank you. This round of questioning will go the official opposition.

Mr. Jerry J. Ouellette (Oshawa): It's good to see you again. Thanks for your presentation. I'm not sure everybody's familiar with your organization. Maybe you can just expand a little further. What areas of the province do you specifically cover and/or, more importantly, don't you cover?

Mr. Harbinson: Currently, the program's actually expanding into Toronto just next week; we're establishing our first detachment in Toronto. We have a number of different plans, but the local emergency plans we're currently supplying will be Northumberland county, the city of Kawartha Lakes, Peterborough, Peterborough county, Durham region and the city of Toronto. We have interest, my guess would be, from about four or five other regions. Outside of that, in the fall of 2004 we established a partnership with the Ministry of Health's emergency medical assistance team. Through them, we now have a province-wide responsibility to assist them and support them.

Mr. Ouellette: Is there provincial certification, training or qualification for each of your members, as recognized by the province?

Mr. Harbinson: From the province, there's really not been a lot of leadership in the whole program, so we've been working more with the local authorities to develop a program that everybody is happy with. One of the issues we've certainly run into is that we don't provide a service for any single entity. We're providing service for fire, for police, for the hospitals, for EMS, so we've had to integrate a training program that takes different aspects from each. Even to that degree—the success we've had with the local emergency services—we currently have, in 2005, somewhere in the neighbourhood of 10 different emergency services providing different types of training to the program.

Mr. Ouellette: What's the average response time and how does dispatch take place?

Mr. Harbinson: It's dispatched much the same way as a volunteer firefighter. It's escalated. We now have surge capacity within the organization. Similar to a fire department, where the fire department has one alarm, two alarms, three alarms, we now do the same thing with our pager system. Response is as quick as five minutes after emergency services have requested us. Of note, the quickest that OVERT has ever been requested by emergency services was nine minutes after 911 was called.

Mr. Ouellette: What's your current budget, and where do you report your budget at the end of the year?

Mr. Harbinson: With our current budget for this year, we're forecasting that the municipalities are going to provide somewhere in the neighbourhood of \$50,000 to \$75,000, depending on how many join the program. We're hoping that our own fundraising initiatives will likely raise an equal amount this year. We follow all the accounting practices and the policies as per any other non-profit organization.

Mr. Ouellette: What would the expected total expenditure be that you're asking for?

Mr. Harbinson: What we're hoping for from the provincial government is that at the very least we would like to see the municipal funding matched, which this year I'm hoping will be somewhere between \$50,000 and \$75,000. On top of that, through our provincial response initiatives—again, the Peterborough disaster was a prime example of where we suddenly have a disaster somewhere in the province and the local emergency services are completely overwhelmed. One of the things many people don't realize or didn't take into account about the Peterborough disaster is that the same people locally who were responding to the disaster—police, fire and EMS—after the disaster had to go home and deal with exactly the same thing. In the case of Peterborough, I know it was almost four days after the disaster before the firefighters were able to go through a normal break cycle and get some downtime. In that case, the program was more than helpful to them, because we were able to come on scene, provide them with a professional service and, in that particular case, help relieve their staff, who were overwhelmed.

It's a revolutionary concept. We need a provincial response capacity, not just a local response capacity. One of the problems with us going to Peterborough is that we did not, at the time, have an agreement with them. If we were called to come down to assist Port Hope or Toronto or somewhere else, that's where our contractual agreements were. If we can get a provincial response fund established, we'd be able to send a contingent of people to any location and keep them there for a longer period of time.

The Chair: Thank you for your presentation.

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PICKERING-AJAX CITIZENS TOGETHER FOR THE ENVIRONMENT

The Chair: Pickering-Ajax Citizens Together for the Environment, would you please come forward?

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. David Steele: Thank you, Mr. Chairman, and thank you, members of the committee, for allowing me to be here to actually speak to people I can see. That's been very hard in the last few months.

My name is Dave Steele. I live at 966 Timmins Garden in Pickering. I'm chair of PACT and also chair of the Pickering waterfront task force. I have won numerous awards from the federal government and the local municipal government for my volunteer work.

I'm here today to speak about the Pickering growth management study. The city of Pickering council asked for the Pickering growth management study to be put together in 2003. We had a steering committee which consisted of different community associations, different service clubs, city staff and two politicians from Pickering. From that, we put the terms of reference together for

a consultant to help us with the growth management plan for Seaton. The terms of reference were approved by council and by the community associations, and therefore the city went on to endorse it and hired a consultant, Dillon Consulting.

Academics from the University of Toronto and McMaster were brought on for the environmental science part of the study. As some of you are aware, because you have been around as long as I have, the IWA process in Seaton and the landfill sites on the agricultural preserve by the Liberal government—a lot of state-of-the-art groundwater studies were done for those sites, which was the silver lining of those dump searches.

From there on, we completed the Pickering growth management study, and the main findings of the growth management study were that a total of 76,000 additional people could live in north Pickering in that boundary line and Seaton lands can be protected with a sustainable population of about 35,000 to 37,000 people. What do I mean by that? On the Seaton side, which is on the east side of Duffins Creek, we have three large aquifers, one alone being 100 million cubic metres of water which isn't polluted. That's just one. We have three cold streams, the last three in the GTA on the east side of Toronto, which are very active and undisturbed. We have wetlands, and we also have a huge amount of woodlots; about 28.5% is woodlots at that end. We also have Lake Iroquois etc.

We also determined that limited development could occur in the agricultural lands to provide the balance of the population increase desired by the province and the city of Pickering. It was also noted in the study that farming had historically impacted the quality of Petticoat Creek and West Duffins Creek through fertilizer and pesticide runoff.

So what happened was a very comprehensive study of where you could develop in Seaton and where you couldn't. Environmental science was used for the areas where it could be developed and where it couldn't be developed. For example, the three cold streams take about 80% of the groundwater/surface water runoff to keep them active.

Having said all that, the province came along and decided they were going to develop Seaton through the land swap exchange that was done by the previous government. The organization tried to work collectively with the ORC, asking for information. In front of you, you see a letter that I addressed to Mr. Willis, who is a consultant now, asking 48 questions we would like to have feedback on. To date we haven't had one response. Not one question has been answered.

Furthermore I decided, since I wasn't getting anywhere and my organization wasn't getting anywhere, that I would go to the residents of Pickering and Ajax to see if they were really as concerned about it as I was. I went door to door with many other people, and in less than five weeks I collected 3,500 petitions for a full EA, a class D environmental settlement. I sent two letters to the Ministry of the Environment, with a binder. To this day I have had no response to my letters.

I find this very disturbing. We're talking about greenbelt, which I am a very strong supporter of, and we're talking about the principles of the greenbelt, which was aquifers, wetlands, woodlots, streams and creeks, and farmland, which is still being farmed in Seaton. Yet, the province hasn't been able to release any information to us on the environmental science that we're asking for.

I believe that the city of Pickering came up with a state-of-the-art growth management plan. If we could just bang the heads together, let's have a class D environmental assessment of all the land. Pickering has completed the data work. I'm not too confident that the province has completed the environmental science, because they haven't answered one question.

I spoke to Mr. Willis. The ORC is no longer looking after the land transfer and the environmental assessment, which is the class. It has now been passed on to a consultant, and the consultant refuses to answer any of my letters, e-mails or telephone calls. I assume he doesn't want to discuss the issues I'm bringing forth.

So I'm here very humbly, as an ordinary citizen, to request a class D environmental assessment for the development of Seaton so we can, by example, show—and I'm not out to stop growth. I was in development for 30 years; I understand it. I am now at the University of Toronto, and I have very good friends. I'm head of student housing, in the capital and maintenance projects. So I understand development, and I understand environmental science because some of my friends are professors in that language.

What I'm asking of you is to urge the Premier, the Minister of the Environment and Minister Gerry Phillips to please answer their mail. We would like to have a class D environmental assessment for the development of Seaton. I am scared to hear that they're going to say, "We're going to save 60% of the land." Well, you know what? If you're going to have hard water surface runoffs from those buildings, we might end up with 20% in 20 or 30 years down the road. That's what I am asking you for. Thank you.

The Chair: Thank you very much. The questioning will go to the NDP.

Ms. Martel: Thank you for being here today. I'm not going to pretend that I understand all the issues here. I just want to be up front about that and honest with you.

If I understand you correctly, you were confident in the work that was done by the city of Pickering.

Mr. Steele: Very confident. I sat on the steering committee.

Ms. Martel: You felt that was a comprehensive plan of where you should or shouldn't be developing in Seaton. Correct?

Mr. Steele: That was the state-of-the-art growth management plan, and they did say we could develop in Seaton in a certain area if certain environmental protection is done.

Ms. Martel: Now, move from that to the land swap and the provincial proposal. What I'm assuming—and you're going to correct me if I'm wrong here—is that the

provincial proposal is not the same as the comprehensive plan that was put forward by Pickering, which is why you want an EA on the provincial plan.

Mr. Steele: Exactly.

Ms. Martel: OK. Can you give me some indication of the differences that lead you to the concerns you've expressed to us today and in the request for the EA? What are the differences between what Pickering put forward and what the province is putting forward?

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Mr. Steele: There are two things. One is that the city of Pickering did very state-of-the-art environmental science through McMaster University and the University of Toronto to reach the decisions of where they could possibly develop. They read reports, such as those given to the Minister of Health in 1997, that you couldn't develop too much on Seaton because it would penetrate into the aquifers, because of the fault conditions. That's one thing. To me, the province hasn't done any of this work. They haven't asked for any work done on the environmental science. I haven't had an answer. This has been two years now.

What has turned out as a result of further correspondence from the study is that there is development to happen on the east side and there is some limited development to happen on the west side of Duffins Creek. They call it agricultural preserve land. If you look at the agricultural preserve land, it's not as environmentally sensitive as the Seaton land because they don't have the cold streams, they don't have the woodlots and they don't have the same quantities of aquifers, water, and it goes on. That is a difference.

The province is saying we're going to save that agricultural land for greenbelt. Well, it's not environmentally, scientifically proven that it's feasible. Not only that; it's been proven in the study that it is not feasible to keep it as farmland. That was outlined in the Pickering growth management study. I would urge you to get a copy of that study. It's very good; full public participation. It went on for a year and a half, and there were all sorts of people involved in it.

Ms. Martel: If I heard you correctly, the Pickering plan suggested 30,000 to 37,000 people in Seaton for development. The provincial plan assumes what number?

Mr. Steele: Well, they haven't told us. The same consultant/architect who tried to do it way back was figuring 97,000 at that time. The last time I spoke to him at a public meeting he said 60,000, so we're getting better, but he hasn't told us where yet. I don't know what it is. I guess we're going to get an announcement, "This is it," but there are no official numbers yet.

The Chair: Thank you for your presentation before the committee.

Mr. Steele: Thank you very much. Mr. Chair, may I leave this letter with you?

The Chair: Yes.

Mr. Steele: I have copies of it for you.

The Chair: Very good. If you give it to the clerk, he will ensure that everyone has a copy.

TOWN OF WHITBY

The Chair: I would ask the town of Whitby to come forward, please.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning after that. I would ask you to identify yourselves for the purposes of Hansard.

Mr. Marcel Brunelle: Marcel Brunelle, mayor of the town of Whitby. I'm accompanied by Ken Nix, who is the treasurer of the town of Whitby.

Good afternoon. I would like to welcome all of you to Whitby and thank you for conducting your meeting here. I appreciate the opportunity to present our submission and suggestions and comments to the committee leading up to the next provincial budget for the province of Ontario.

The town of Whitby is located in the heart of Durham region and is growing at a fast rate. We are currently at 110,000 residents and we're growing rapidly.

My mission today is to convince you, the representatives of the various provincial parties, to become collective partners in assisting the council and the staff of municipalities to address the challenges of Whitby and other municipalities in Ontario.

As I said, Whitby is a community experiencing growth and development. As a result, the council of the town of Whitby is facing more and more challenges, most particularly in terms of municipal financing. The challenges of maintaining fiscal responsibility are balanced with the demands placed on the town because of growth, declining infrastructure and more requirements due to the changing and diverse needs of our community. Fiscal responsibility is not only the domain of business executives but of our governments as well.

Since the year 2000, the town has issued more than \$1.5 billion in construction permits. That puts Whitby ahead of any other municipality in Durham and is one of the reasons our community remains Durham's business centre and a community of choice. With a population that now exceeds 110,000 people, the town of Whitby has accounted for one out of every three residential building permits issued in Durham region since the year 2000. With growth come increased demands for service. Whitby is striving to meet these demands, but frankly, like other municipalities, we need help.

Whitby council has not stood still. Council continually investigates alternative methods to deliver service, and partners with other service providers in both the public and private sectors. Innovation in service delivery and revenue sources is continually being investigated and implemented to minimize the impact on the taxpayer.

In response to demands from our growing community, the town of Whitby embarked on an expansion and building of new facilities that this community has not witnessed in its 150 years as a municipal corporation. Despite ongoing pressures, Whitby's tax rate increases have been among the lowest of the lakeshore municipalities in Durham region. Since 1991, inflation has out-

paced property tax increases in Whitby by almost 12%. Like many other municipalities in Ontario, this included a number of years of 0% tax increases. The town's taxes continue to compare very favourably to other urban municipalities in Durham region; however, the pressures are growing. In the last few years, a number of municipalities in Ontario, including some of our neighbours, are struggling to just keep their tax increases below 10%.

Even though senior levels of government have been promoting the fact that they have been reducing tax rates over the past few years, their revenues have grown substantially due to strong economic growth. During good economic times, when people's earnings are higher and they are spending more, the senior levels of government enjoy considerably more revenue. Whitby and other municipalities do not benefit from increased economic activity to the extent of the federal and provincial governments. Municipalities must rely primarily on assessment growth and tax rate increases to significantly impact our revenues. Municipalities can mortgage their future by depleting their reserves, but this is a no-sum game; this is not a sustainable model. We could raise taxes disproportionately, but this would not provide for a competitive community in which to attract residents, businesses and new employment and assessment growth.

Property taxes are the major source of revenue that municipal governments use to pay for services that residents have come to expect from their local government. However, property taxes on businesses are levied whether a business is making a profit or not, and therefore act as a deterrent on economic growth, productivity and innovation. Property taxes on households are vulnerable to economic swings.

Municipalities are faced with a dilemma: While legislated to maintain a balanced budget, municipalities are expected to provide increasing amounts of service, either as legislated by the province or demanded by our residents. The issue is trying to achieve these goals, in addition to the general inflationary increases on our operating budgets, without having to raise property taxes or cut existing services to fund new ones.

While our council tries to limit property tax increases, council is finding it harder and harder to balance our budget. Our roads are deteriorating or not adequate to meet the higher traffic demand as our population grows; our transit system is pushed to the limit; we have demand for more parks, community centres, libraries. I could go on and on. As a municipality, Whitby is facing a huge and growing infrastructure deficit into the future, even though we are much better off financially than most municipalities in Ontario. We simply don't have the operating revenues to pay for the ever-increasing costs, and without a change, the problem will only get worse, not just in our municipality but in all municipalities in Ontario.

Everyone expects growth to pay for itself and make Whitby rich. The reality is that the costs from growth require long payback periods—much longer than would be acceptable in the private sector—and pressures to

provide services to the new taxpayers in Whitby are immediate. The Development Charges Act restricts the ability of a municipality to ensure that growth pays for itself. As a result, the existing taxpayer must pay a portion of infrastructure costs driven by growth. Is it fair that existing taxpayers must pay a share of the capital infrastructure costs required to support growth in our town?

Over 10,000 people chose Whitby as their new home in the last two years. Many of these new residents have high expectations. As a result, additional operating costs for services such as recreational programs, garbage pickup and road maintenance are competing with capital costs required to build the infrastructure of our growing community. These pressures are expected to continue well into the future.

Growth is also creating a doctor shortage for the new citizens of Whitby. Although this is not a traditional municipal issue or role, it is important to our taxpayers and, of course, must be supported by the town. The town of Whitby has been designated by the Ministry of Health and Long-Term Care as underserved by 16 doctors as of December 2003. I have personally taken on the responsibility of striking a task force with a mandate to recruit and retain physicians for the town of Whitby.

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In Ontario, we are graduating fewer family physicians than ever before. We have physicians immigrating to Ontario and finding that the paperwork and red tape are huge. We need the provincial government to look at increasing the number of graduates from medical school and getting these students interested in becoming family physicians. They need incentives.

New pressures are facing municipalities. A new awareness of accessibility issues will put even greater strain on our ability to sustain and maintain our infrastructure into the future. The general population of the province is getting older. Expectations will change, required services will change and the ability of people to pay taxes will change when they begin to live on fixed incomes. The town is concerned about seniors who, although not rich, do not qualify for low-income assistance and will have problems paying their taxes in the future. The town of Whitby has begun to address this by providing rebates of \$250 to low-income seniors.

Much has been said in the past about the impact of legislated changes on municipalities. A recent example that will begin affecting municipalities this year, especially those within the GTA, is Bill 124, better known as the BRRAG legislation. The impacts of the BRRAG legislation and the resulting restrictions on the ability to generate revenues will have an estimated impact of at least 1% to as much as 4% on the tax rates for growth municipalities, many of which are within the GTA.

In addition to changes in legislation, many existing pieces of legislation have roadblocks that impede the municipality's ability to manage their efforts.

My comments so far have touched on some of the pressures affecting our municipality and others. We

know the province cannot solve all of the problems and challenges, but here are some suggestions where we think the province can help.

The provincial commitment to provide a portion of gas tax for municipal transit is a positive first step toward dealing with transportation infrastructure, and we thank you. However, I must stress it is only a first step toward addressing the future infrastructure challenges faced by municipalities.

How am I doing for time, Mr. Chairman?

The Chair: You have one minute left, if you could sum up.

Mr. Brunelle: You have that look on your face.

As everyone knows, municipalities must address all infrastructure needs, including transportation needs related to roads, bridges and other transportation systems.

As issues facing municipalities are resolved and new revenue sources are provided, we can ensure the standard of living that we have come to expect in our great town and province. Proper infrastructure is critical for the movement of goods and services within the province. The movement of goods and services is critical to a prosperous Ontario. A sustainable community fits provincial priorities and contributes to making Ontario a great place to live, work and play. Healthy municipalities play an important role in Canada's infrastructure and, finally, the town of Whitby, along with other municipalities in this province, wants to be partners with the province in moving forward into a prosperous future. Thank you.

The Vice-Chair: Thank you for the presentation. We will go to the government side for questions.

Mr. Wilkinson: First of all—we've learned from your member—congratulations on your sesquicentennial.

Mr. Brunelle: Thank you.

Mr. Wilkinson: I'm sure those events are going well. It's something for a community to be able to do that. We've been right across Ontario in the last two weeks, and I was doing this last year. There are communities right across Ontario that would give their eye teeth to be Whitby, because you have a growing community. You're right here, you're on the transportation corridor, you're on the east side of Toronto, you've got that new university, you've got a great college. There are a lot of good things going for Whitby.

Mr. Brunelle: There are.

Mr. Wilkinson: At the provincial level, of course, we're dealing with communities where they have out-migration, where they have declining property values, where they have all of those, and they don't have relatively new infrastructure like so many great parts of Whitby have because they are relatively new communities.

Historically, what I've heard is that when there was the whole downloading and Who Does What, you had some soft costs, social costs that have been dumped on to the property tax and you've had other things that have been downloaded to you. Given your experience, I was just wondering if you could give me a comment. If there was a new deal with municipalities—and Mr. Anderson

was here previously—and we got those hard costs back to the municipal side again and the soft costs back up to the province, where it's being supported by the income tax, would you be able to sustain that with your tax base, particularly here with a growing tax base, or would you still come back to the province and say, "You're looking after education, looking after hospitals and looking after all the social costs, but we still need you to come and help us with infrastructure?"

Mr. Brunelle: I think we'd love that. The problem with the social costs is that they're unpredictable and they continue to go up; it takes a lot of management and it is very difficult in that world to really plan the future. Infrastructure is a hard service, something you can plan and put a program in place for improvement—you just need the dollars—and when you do that, you get into programs into the future to repair them. So, yeah, I think that would be a big move forward for municipalities.

Mr. Wilkinson: My follow-up question: Are you availing yourself of the Ontario Strategic Infrastructure Financing Authority that was created in the last budget, which allows low-interest, long-term loans supported by the province of Ontario so that you're not going to commercial, for-profit banks to borrow money short term at higher rates?

Mr. Brunelle: The answer is no. Ken's our treasurer; I'll—

Mr. Wilkinson: I know many communities that are and seem to be benefiting from it, so I'm just asking that question.

Mr. Ken Nix: If I may address that, the rates provided through the Ontario infrastructure loans are higher than we can get through Durham region and the credit rating that exists at the time for Durham region.

Mr. Wilkinson: I'd love to get more information on that. And what about the amortizations? Are they shorter or longer?

Mr. Nix: The amortizations are more flexible through OSIFA, but we typically do 20 years and under, and we can do that through the traditional markets.

Mr. Wilkinson: But you're going through Durham and then going just to regular banks?

Mr. Nix: Through regular debentures to the public sector.

Mr. Wilkinson: That's great.

The Vice-Chair: The time's almost up. Ms. Mitchell, you had one question? You have a minute.

Mrs. Mitchell: I just have a fast question. I was just looking to see what your opinion was. Roger Anderson was just here and he placed, from AMO's position, the top three priorities, and I just thought I would ask you if you would concur. They were the adjustment on the CRF, Bill 92 and rebate of the PST.

Mr. Brunelle: The rebate of PST would be my number one. I think—

Mrs. Mitchell: You don't have to agree with him.

Mr. Brunelle: No, it's just that we all have our own—I have a conflict: I'm also chairman of public works for the region of Durham, so I understand their issues and I

certainly have some sympathy, because I wear that hat too. So I can't disagree with the regional chairman. Municipalities are interrelated, so what benefits one helps the other; one hand washes the other.

Mrs. Mitchell: I was just curious—

The Vice-Chair: The time is up; I think we have to stop there. Thank you for the presentation.

ONTARIO PUBLIC SERVICE
EMPLOYEES UNION,
COLLEGE SUPPORT STAFF DIVISION

The Vice-Chair: The next presentation is the Ontario Public Service Employees Union, college support staff division. Come forward to make your presentation. You have 10 minutes for your presentation. Please state your name for the purposes of Hansard.

Ms. Janice Hagan: I'm Janice Hagan from the Ontario Public Service Employees Union. I'm a community college support staff worker and have been for 17 years under a Liberal, NDP, Conservative and now Liberal government again. I have lost my job five times due to provincial budget cuts, so I have a good understanding sometimes of what's going on at this table.

I'm currently an English tutor with Seneca College, and I work with Ontario's most challenging students: a lot of new Canadians and refugees, students for whom English is a second language. That's a group that used to make about two people in a class of 25. Now, at our college, we get about 30 to 35 in a classroom that should hold 25.

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I work with a lot of older students who are coming back to school due to downsizing in their workplace. A couple of years ago, Seneca could have filled its entire first-year semester with mature students and not let in a single high school graduate. That's how many people are coming back to school.

I also work with students with physical disabilities, learning disabilities and mental illnesses, students who may not even have shown their face in our college 10 or 15 years ago, but now—victims of our own success—are coming in expecting to be accommodated and expecting, of course, what every other citizen of Ontario has the right to.

It's my job to take people out of the red in your books and help put them into the black so that they're productive members of society. I can take a student who's very insecure because they've gone from speaking about poetry to not being sure how to ask where the washroom is, and that's a big blow to their confidence. I've taken students like that, and with seven hours of one-on-one or small group tutoring, helped them get jobs on Bay Street. So I'm very confident in the services that we provide.

In my spare time, I chair our division: right now, 6,710 support staff workers across Ontario. I remember a time when we were almost 8,000. I can go through the whole alphabet: We're airplane mechanics, biotechnologists, co-op coordinators; I only have 10 minutes—it

goes up to Zamboni drivers—but it's a very diverse work group.

We need more money. I guess that's why I'm here. Our computer and technical labs—which are the heart of a college, because we offer hands-on training, which is very different from what universities offer. Hands-on training requires small classes and good lab set-ups and technicians to help students through. Our daycare facilities across the province have been closing down due to funding, at a time when more and more mature students and single parents are coming to college. We're also very concerned about the possible closures of some of our northern colleges, which have been in severe deficit positions for a number of years now. Students like to go to school close to home.

You hear a lot about the rising cost of tuition. Tuition is not the highest cost associated with education. It's the food and rent when you have to move away from home to go to school. We need to keep our communities in Ontario accessible to higher education. You can't go to night school when you have a full-time job if the college or university is too far away.

We are becoming increasingly dependent on contingent workers, as the president from Durham university was telling you as well. This becomes a problem. The work we do requires a great deal of experience when you're working with students that have so many needs.

Our students cannot afford to pay more tuition. I think those of us who work as support staff know that more than anyone. We're the ones who hand out the financial aid loans, who listen to the stories, who fill out the withdraw slips when a student cannot stay in school. Some of the students who come to me for help with time management are working full-time, probably a midnight shift, and then attending classes full-time during the day. It's heartbreaking. Of course, we want to do everything we can to support somebody who wants to work that hard, but we can't see tuitions rise any more.

As far as we can tell, there's only one alternative, and that is to put public money back into post-secondary education. We've heard a lot of talk about education at the elementary level, at the secondary level, but education to the age of 17 is not enough in our very complex society. We consider our colleges and our universities extensions of that public education that's becoming quite necessary to get any job that will pay a living wage.

Further cuts will have drastic consequences. That's not possible. The status quo is not possible, and we're asking you to please listen to our management—and this is a union person talking. We do agree on this. I like their numbers. I'm sure they've made several presentations to you. They're telling the truth: We need this extra money so that we are able to keep the economic engine of this province going by providing the skilled workers and providing the people of Ontario with a chance to be all they can be.

The Vice-Chair: Thank you very much for your presentation. The questions go to the official opposition.

Mr. O'Toole: Thank you very much for your presentation and also for the work you do in trying to get people re-engaged in their lives and in the workforce. I know that it's important and it must be challenging work, so I thank you for that as well.

This is the fourth presentation that we've had from the Ontario Public Service Employees Union just today, which is surprising because in many cases these very truncated hearings have not allowed key stakeholder groups to make presentations.

We have had lots of presentations across the province, of course, at most communities, right from Sault Ste. Marie, Sudbury, Ottawa, Kingston—all of them. The universities and colleges have presented. There has been a very consistent message.

You're primarily talking about a group whose work has become redundant or whatever in many cases and they're trying to re-enter the workforce. That's probably an issue where the government, as opposed to just increasing the welfare rolls—I would think that empowerment of the individual is more than money; it's dignity.

We've heard lots of scripted messages. I'm sure the universities as well as the colleges have got that big number out there—about \$1 billion—that they need to recover. What message would you like to leave with this committee and the members of the government who are listening? There are two of them still at the table. What would you like to put on the record as initiatives they could take that are unique to address the returning mature student?

I'll tell you why. The high school and elementary presenters are also valued members of society. For every 1% of wage increase, it's about \$125 million—every 1%. The current requests are something in the order of half a billion dollars. That's either going to come from new taxes or it's going to have to come from other ministries. I wouldn't say that isn't worth it, but that's what you're up against: those who are already in positions that are pretty much at the table and central to their program.

What do the students and the faculty members like yourself need to make the job easier and to create access for those people trying to return to the workforce?

Ms. Hagan: I think the biggest thing in education isn't the technology or the things we need to teach. It's not the things; it's the people. We need to have full-time, dedicated, experienced staff working with people. I have worked with no budget, but because of my personality and my desire to help students, it's amazing what you can get done with very few resources.

So the first thing I would do is maintain jobs for these dedicated employees instead of hiring people on three-month contracts who then disappear. We have a lot of good ideas, but without the follow-through, that can't be helped.

Some of the great ideas I've heard of are more trade-specific language training, which we're now doing in our biotechnology and our mathematics areas, because in a standard ESL program you don't learn words like “denominator” or “aperture” or “cyan” or “magenta”—very specific technology terms.

We also need to take some of that token money we have for disabled students and expand programs for computer technology that helps people who are blind or who have learning disabilities to read textbooks. This technology is complicated when a student with second-language problems tries to use it, because it doesn't always pick up your voice when you have a strong accent.

So there's a lot of innovation, and there are a lot of workers doing small projects to increase this. We need to have long-term funding on some of these projects instead of short-term goals and short-term staffing so that we can carry through past the innovation into implementation.

The Vice-Chair: That's the time for questions. Thank you for the presentation.

GREATER OSHAWA CHAMBER OF COMMERCE

The Vice-Chair: The next presenter is the Greater Oshawa Chamber of Commerce. Please come forward.

Welcome to the committee. You have 10 minutes for your presentation. There will be five minutes for questions. When you start your presentation, state your name for the purposes of Hansard.

Mr. Bob Malcolmson: I'm Bob Malcolmson, the chief executive officer of the Greater Oshawa Chamber of Commerce. We're pleased to be here today and to have this opportunity to make our submission to your committee.

1530

The Greater Oshawa Chamber of Commerce, to put it in context, has 990 entrepreneurs, senior managers and executives of 764 businesses employing 50,000 people in the greater Oshawa area. Also, we are proud to say that Oshawa is the home of Ontario's newest university, the University of Ontario Institute of Technology, located in the north of Oshawa on Simcoe Street. We're also going to be the home of what will be the newest cancer centre in Ontario, at Lakeridge Health centre, again in Oshawa.

The chamber has put together several policy issues that we have been following over the years, and we would like to discuss them briefly with you today. They range from economic development and the Beacon project to transportation and infrastructure, the courthouse for Durham region, health care and education.

In the area of transportation and infrastructure, the chamber submits that highway safety and the easing of traffic congestion in Durham require increased transportation capabilities. Two areas of major impact in Durham region are the Stevenson Road interchange in Oshawa and the Highway 407 extension across Durham region from Brock Road in Pickering to Clarington.

The chamber recognizes that for improved safety and economic development, the interchange at Stevenson Road and Highway 401 must be completed. It is disconcerting to the residents of the greater Oshawa area that a project committed to in 1998 by then-minister

Tony Clement is now two years away from completion. It was supposed to have been completed in 2001.

The chamber recommends strongly and urges your government to continue the commitment and move expeditiously to complete the interchange upgrade. Failure to do so will only add to highway safety concern, gridlock and transportation congestion on the 401.

The Highway 407 extension eastward: The Greater Oshawa Chamber of Commerce does not wish to see any projects like the Highway 407 extension unduly delayed if environmental concerns can be mitigated through proper design. As the business community, we expect due diligence and adherence to proper processes in the area of environmental safety and other concerns. May we stress to you the importance of projects like the Highway 407 extension in ensuring public safety and in meeting the transportation needs of those individuals and families living and working east of Toronto. The economic impact to the greater Oshawa area and Durham region by not completing these projects is real. Our businesses are telling us it is real.

We recommend that you set a deadline of December 31, 2005, for the commencement of construction for the Highway 407 extension all the way through to Clarington.

The consolidated courthouse for Durham region, close to 10 years in the making: Bob Rae, then Premier, in 1995 announced that the courthouse would be built in Oshawa. Based on agreements with the government of the day and staff, millions of dollars have been spent by General Motors of Canada Ltd. and the city of Oshawa to prepare the site. In November 1998, we wrote Premier Michael Harris and asked them to proceed with the construction of the new consolidated courthouse. Unfortunately, a promise made was not a promise kept.

In December 2004, Attorney General Michael Bryant, on the front page of our newspaper, announced that the courthouse has been a long time coming and said it would be built in Durham, but not until 2008-09, with no site set. The Oshawa site is on previously reclaimed brownland. It is the best location to serve Durham region; it has the necessary infrastructure and support services. Durham region's official plan recognizes Oshawa as the central business district. Clearly, putting the courthouse in any location other than the central business district of the region would have an economic impact.

On pages 13 and 14 of your government's own report, Places to Grow, the government has recognized Oshawa, and in particular the downtown core, as one of the 11 priority urban centres. According to your report, the urban centres are identified as a key focus for infrastructure investment. The province has an opportunity here to demonstrate its commitment to the growth plan outlined in the Places to Grow report by making its site selection decision the Oshawa site. Any decision after 10 years to change the site may be looked upon as purely for political gain and would be viewed as a betrayal by the taxpayers of Oshawa, its business community and its residents.

The courthouse can play a key role in the redevelopment of our downtown core. The Oshawa site offers to the government a prime example of your Places To Grow statements: brownfield land rejuvenation; transit—both Go Transit and municipal; infrastructure of roads, hydro, sewers and water; parking garage; private sector funding; and a well-trained labour force.

Our recommendation: We encourage your government to fulfill failed commitments by two previous governments, demonstrate its commitment to the Places to Grow plan and build the courthouse in Oshawa.

How is my time?

The Vice-Chair: You have four minutes left.

Mr. Malcolmon: The Canadian automotive industry, under the Beacon project, is poised to benefit the Ontario economy with a huge investment of dollars. The Beacon project will invest \$2 billion to \$3 billion in facilities in Oshawa, St. Catharines and Ingersoll. Should a partnership be achieved, GM Canada has proposed a bold new initiative based on co-operation between federal and provincial governments, in conjunction with Canadian educational institutions and automotive suppliers. This is an amazing opportunity for Ontario. The Beacon project, as I said, would sustain 10,000 automotive manufacturing jobs, add new employment, introduce leading-edge flex manufacturing, create more than 150 senior research and development positions and train more than 6,000 Canadian engineering students. It would deliver new environmental benefits and technologies and innovation in engineering, and increase the competitive global automotive industry.

To go on with this project, it needs the partnership of the Canadian and provincial governments. General Motors provides more than half of all annual auto supply purchases in Canada, and you can read the figures in the report I've submitted to you. They are prepared to reinvest \$130 million in new support to help train the next generation of Canadian automotive engineers, and they're prepared to invest in several universities right across Canada.

Our recommendation, and I know it is currently supported by your government, is that the major investment by General Motors of Canada Ltd. is dependent on a partnership with the Canadian and Ontario governments. We encourage you to fulfill this partnership and financially support General Motors' Beacon project.

Another area is the regional health care centre. It's critical to Durham region that the cancer centre and the major redevelopment of the emergency wing and critical care unit continue. We encourage you to continue with what you're doing and get that completed, not only for the benefit of residents of Durham region but of all the residents who live just outside that area who would use the facility.

Education: We would recommend strongly that the government continue its commitment to the University of Ontario Institute of Technology and its progressive expansion over the next 10 years. To fail to do so would deprive our residents in Durham region and the greater

Oshawa area of the options available to so many in other communities.

I thank you very much for the opportunity to be here today.

The Vice-Chair: Thank you very much for your presentation. The questioning goes to the NDP.

Ms. Martel: Thank you for being here today. Let me ask about the courthouse. You say at the bottom of page 2 that after our government made the announcement in 1995, "work to prepare the site was undertaken," and that millions of dollars were spent by GM and the city to prepare the site.

Mr. Malcolmson: That's correct.

Ms. Martel: What does the site look like now, and has all that work gone down the drain?

Mr. Malcolmson: It is a beautifully landscaped, level piece of land sitting beside the YMCA, right on Bond Street. The infrastructure around it, the road structure, is there. There's a six- or eight-storey parking garage just about 50 feet from the site. It's ready to go. It could be developed and construction started tomorrow.

Ms. Martel: So the Attorney General comes to town with MPP Wayne Arthurs in December 2004 and says there's going to be a courthouse but it wouldn't be built until 2008-09. The site is ready; the parking garage is there. Any idea why there's going to be a delay of three or four years? Were they asked that question by the media?

Mr. Malcolmson: Three or four years? How about 10 years? The courthouse delay goes back—time and time again they've said, "Let's take a look at it. Let's do some more studies. Let's go out and ask for RFPs." I think we've been RFP'd to death trying to get this project underway. There are supposedly three sites within Durham region that are up for tender. They are now looking at these three sites and are going through the process one more time to determine where it should be.

Not knowing exactly where the other two sites are, I've given you the criteria for what's available in Oshawa, not to mention the vibrant downtown business community. All of our major banks have their regional head offices there. We have multiple fine-dining restaurants. We have a labour force. We have empty high-rise office buildings where we could bring in the lawyers and any support organizations that would need the courthouse. The police station headquarters currently are about a football field's length away from the courthouse site, and there is a nice YMCA, with physical fitness and an indoor pool, right next door.

If this site was anywhere else in Durham region with the capabilities of what's available, we would be saying, "Put it there." If it was in Pickering, Ajax, Clarington, Brock, and they had all the criteria and all the benefits according to the Places to Grow report—it says this is the site it should go in. It will act as a catalyst for re-development and economic input in the downtown core, which again goes to the heart of the government's Places to Grow. This is a win-win for everybody, at any level and in any government. This is an opportunity to create

employment and economic development and to move forward.

Ms. Martel: What's your understanding of the government's commitment? Is it through a traditional capital grant, or is the government looking now at a lease-back option or a P3 model?

Mr. Malcolmson: I'm not sure exactly what the proposal is. I understand there is a public sector/private sector partnership, and again it goes to the heart of what's said in this report by the government. There have been so many different changes in what the government wants over the last 10 years—I would suggest, let's pick a day of the week and we could determine what it might be. But this is key: I know money is important to the government and I know you have to pay for it somehow. This is providing the opportunities. Our chamber firmly believes in it and our business community is committed to it.

The Chair: Thank you for your submission before the committee.

Mr. O'Toole: Chair, I have a motion.

I move that the Minister of Finance and the Minister of Training, Colleges and Universities seriously consider during the budget deliberations the Durham College and UOIT request for special capital funding as presented on January 20 in Whitby. This new university and college needs medium-term funding of \$4.5 million annually to build the capital infrastructure necessary to educate the workforce for the future of Oshawa and Ontario.

The Chair: Mr O'Toole, would you put that in writing.

For the committee, I'm advised that the next presenter has not arrived. We will recess until they arrive or until five minutes to 4, whichever is first.

The committee recessed from 1542 to 1544.

ELEMENTARY TEACHERS' FEDERATION OF ONTARIO, DURHAM LOCAL

The Chair: The standing committee on finance and economic affairs will now reconvene. We have our next presentation before us, the Elementary Teachers' Federation of Ontario, Durham local.

Good afternoon. You have 10 minutes for your presentation. There may be five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard. You may begin.

Ms. Rachel Gencey: Thank you. My name is Rachel Gencey. I am the president of the Elementary Teachers' Federation of Ontario, Durham teachers' local. To my left is first vice-president Anna Huston, and to my right is Gerard O'Neill, executive member, political action.

We would like to begin by thanking you for the opportunity to speak with you this afternoon. We appreciate that after eight days of hearings, some of the recommendations we will make will not be new to you. However, we wish to reiterate the importance of investing in quality public education in Ontario, and to inform you of the inequities in the education system. In particular, we wish to illustrate how these inequities

negatively affect both teachers and students in the public elementary schools in Durham.

We are members of the Elementary Teachers' Federation of Ontario, Durham teachers' local, and we represent 2,500 teachers in Durham region's public elementary schools. Our members teach the 45,000 elementary school students of the Durham District School Board.

We are encouraged by the many opportunities for dialogue and the respect shown for the teaching profession since this government was elected. One tangible demonstration of this respect was the cancellation of the ill-conceived professional learning program. We are also encouraged by a number of the steps this government has already taken to improve and invest in our public education system, such as increasing funding for rural schools, primary class sizes, special education and at-risk students. However, there is still work to be done.

Our recommendations are as follows.

Ms. Anna Huston: Preparation time: Legislation provides for 200 minutes of preparation time per week for elementary teachers in Ontario. In Durham and in most other ETFO locals, elementary teachers receive only 150 minutes of preparation time per week to perform essential tasks such as preparing lessons, evaluating student work, communicating with parents and with other colleagues, obtaining resource materials, preparing report cards and individual education plans (IEPs), booking field trips and performing numerous other tasks associated with elementary teaching. One hundred and fifty minutes of preparation time per week is simply not enough time to get the job done.

By contrast, our secondary colleagues in Durham receive 375 minutes of preparation time per week—75 minutes per day compared to our 30 minutes. The funding formula currently funds only 137 minutes of preparation time per week for elementary teachers, compared to 250 minutes for our secondary counterparts. In Durham, the shortfall between what is currently funded, 137 minutes, and what we actually receive per week, 150 minutes, is often provided by eroding the school's library program by the use of the school's teacher-librarian to provide the additional preparation time.

For instance, a school with a student population of 500 students would have an allocation of a 0.8 full-time-equivalent teacher-librarian. However, this 80% allocation is only on paper. In reality, the teacher-librarian is likely available to keep the school library open for only half the day or less. The remainder of his or her library allocation is spent providing preparation coverage for other teachers. If we are sincere about improving the literacy skills of our students, this erosion of school library programs is shameful indeed.

Our recommendation is that the funding formula be changed to fund 200 minutes of preparation time per week for elementary teachers, as allowed in the legislation. This would provide a tangible way to demonstrate respect for the work that elementary teachers do.

Mr. Gerard O'Neill: Specialist teachers and programs: Although we have been fortunate in Durham

because we have not lost all of our specialist teachers and programs, we have certainly experienced the loss of a number of valuable programs over the past 10 years. While we continue to have instrumental music teachers and teacher-librarians in our schools, we have lost industrial arts, family studies, art, science and design and technology programs across our system.

1550

We have also witnessed a very serious reduction in special education programs. At one time, every elementary school in Durham had a learning strategies class, where students with learning difficulties could receive additional support in a small group setting from qualified special education teachers. The number of these classes has greatly diminished. We have also experienced a dramatic loss in the number of self-contained classes for students with behavioural exceptionalities.

Classroom teachers have had to make up for these shortfalls in all these areas and must attempt to compensate for the loss of these specialist teachers and programs in their own classrooms and programming, often without adequate training, resources and support. Students' needs are not being met. This creates additional workload and pressure for teachers and makes doing a good job even more difficult. Hiring more teachers by increasing preparation time provides an excellent opportunity to restore these important specialist programs in our schools and improve the range and quality of educational services available to children.

The value of an elementary school student versus a secondary school student: The foundation grant funds an elementary student at \$811 less than a secondary student. This shortfall in per student funding has far-reaching effects in the elementary schools. Elementary class sizes are larger than those in secondary schools. There is significantly less money for classroom supplies, for libraries and guidance programs—guidance programs are non-existent in elementary schools in Durham—for professional and paraprofessional services, for teacher preparation time, for textbooks and learning materials, and the list goes on. There is no justification for this funding shortfall. One of the most effective and immediate ways that our provincial government can demonstrate respect for elementary teachers and for the students they teach is to eliminate the gap in funding between elementary and secondary per pupil funding.

Ms. Gencey: Supports to help new teachers succeed: More than 200 elementary teachers have been hired by the Durham District School Board this school year. This amount of hiring has remained at approximately the same level over the last several years. The majority of these newly hired teachers are new to the profession. New teachers consistently identify the following concerns and areas of need during their first years of teaching: a lack of resources and equipment, maintaining student discipline, organizing and managing their classrooms, managing their time and work, diagnosing student needs, and assessing and evaluating student progress. These concerns and needs can be addressed by providing additional

classroom resources and materials, additional preparation time, well-planned induction and mentoring programs, and additional professional development and networking opportunities. One simple and no-cost way in which to provide professional development would be to reinstate even a few of the five professional development days that were eliminated by the previous government in 1997. Investing in new teachers is an investment in the future and is a cost-saving measure for this province.

In conclusion, while we have presented several different issues to you today, we are suggesting that these issues could be addressed by only two recommendations regarding the budget: (1) providing additional funding for elementary teacher preparation time; and (2) eliminating the \$811 gap in funding for the foundation grant for elementary and secondary students.

We can all agree that our students deserve the very best. Some of the work has begun to rebuild the public education system in Ontario. As teachers, we know that student needs are not being met, and we know that teachers are suffering from a workload that is far from reasonable. This is simply not an acceptable state of affairs in our province.

We thank you for your time and your consideration of our recommendations.

The Chair: Thank you. In this rotation, the questions will go to the government.

Mr. Colle: Thank you very much for rushing over to be here. We've had a number of presentations from the secondary and elementary panel all across Ontario. Some of those recommendations have been put forth before, so they're very clear, I think, in most of our minds by now.

What's happening in terms of Durham and population growth in the public board? Toronto, surprisingly, has lost 8% in the last two years, I think. I wonder if there's an increase eastward in Durham in terms of population.

Ms. Gencey: Not necessarily in the elementary panel. We have seen it actually fairly stable the last several years. The number of hirings has a lot to do with the number of retirements as well.

Mr. Colle: So as you've said, it's remained constant: about 200 new hires?

Ms. Gencey: Yes. Our membership has remained about the same for several years now. So there hasn't been an increase in the teachers; that's for sure.

Mr. Colle: I guess the other challenge we're trying to come to grips with, whether it's this committee or this government, is that there are obviously improvements that need to be undertaken. We talked about the prep time, which seems to be the number one issue, and I know there's a lot of reference about this 2%; the negotiations are upcoming. I don't know how you can separate them, but I guess if we were to take a look at the negotiations, as far as the elementary teachers in Durham are concerned, the main thing you would say is, "Fix the prep time problem." That's creating the greatest amount of pressure in your schools.

Ms. Gencey: I wouldn't want to pick just one thing, but certainly preparation time is one of the main working condition problems that we have.

Mr. Colle: Because that trickles all the way through.

Ms. Gencey: That's right, and we mentioned the fact that it has far-reaching effects. It certainly has effects for our new teachers. We're seeing a lot of teacher burnout, a lot of stress. The expectations on a teacher's workload do not diminish. In fact, they've increased over the years. Both Anna and myself were in the union office currently, but Gerard can certainly attest to that; he's in a classroom at Sir John A. Macdonald in Pickering right now. Certainly the workload has greatly increased, and yet the preparation time is just not there for teachers to do their jobs.

Mr. Colle: One of the recommendations we had in, I think, London was about this mentoring program for new teachers. What they do is that their association has been underwriting some of the mentoring for new teachers and they are seeking, perhaps, matching funds from the board. Or this might be something we could recommend to the Minister of Education: that an association would be partners with the Ministry of Education to mentor new teachers, because they essentially need that kind of time with experienced teachers so they know class management skills etc. That's one of the suggestions that I know was made by, I think, the secondary panel, the OSSTF.

Again, I'm not trying to underestimate the other concerns you've raised, but on prep time—and there are 45,000—

Ms. Gencey: Students in the elementary system.

Mr. Colle: That's quite amazing. Are new schools still going up in—

Ms. Gencey: Yes. Four new schools in September this year.

Mr. Colle: So there's new capital there, and starting up new schools is always challenging.

I guess those are my comments. Again, I want to thank you and pass on that we are trying to do our best. We have a lot more work to do, and we continue to ask for your advice and direction to push us along, but we realize there's still a lot of hard, hard slugging to do as we get public education back to where it should be and where the Ontario public deserves it to be. Thank you very much for coming here today.

The Chair: Thank you for your presentation.

Mr. O'Toole: Chair, first of all, I have a request for research. I'd like to have the research people, before the considerations on pre-budget are completed, provide the members of the committee with the cost of implementation of the prep time equity issue between primary elementary teachers and the secondary school teachers' group, as requested in the province's meetings over the last two weeks.

The Chair: If you could provide that in writing, I'd appreciate it.

Mr. O'Toole: Yes.

Also, I want to move that the Ministry of Finance, along with the Ministry of Agriculture and Food, and rural affairs, respond to the serious challenges facing

Ontario agriculture and rural communities in Ontario today. The BSE crisis, the Nutrient Management Act and source water protection, along with other pressures, are destroying the fabric of rural Ontario communities. The CAIS program does not adequately respond to all commodity groups.

I respectfully request that the minister respond in the 2005-06 budget by increasing funding for agriculture to offset the decrease in last year's budget.

Further, on behalf of the Ontario Corn Producers' Association, OCPA, I request that the minister (1) meet

with them before this year's planting season, and (2) commit to a review of the market revenue program that was so successful in the past. Thank you.

The Chair: If you'll provide that in writing, we'd appreciate it.

I want to take this opportunity to thank all the support staff on our tour and during the two days we were in Toronto. Thank you very much.

This meeting is adjourned.

The committee adjourned at 1559.

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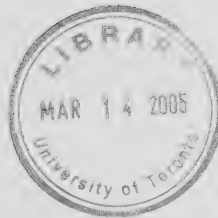
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Official Report of Debates (Hansard)

Thursday 17 February 2005

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Jeudi 17 février 2005

**Standing committee on
finance and economic affairs**

Pre-budget consultations

**Comité permanent des finances
et des affaires économiques**

Consultations prébudgétaires

Chair: Pat Hoy
Clerk: Trevor Day

Président : Pat Hoy
Greffier : Trevor Day

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Thursday 17 February 2005

Jeudi 17 février 2005

The committee met at 1005 in room 228.

PRE-BUDGET CONSULTATIONS

The Chair (Mr. Pat Hoy): The standing committee on finance and economic affairs will please come to order. This morning's order of business, as the committee would know, is report writing. What we would do is first of all go through the draft report to see if members feel that it is accurate or if there are proposed changes, followed then by any motions that have been put forward.

We'll look at the draft report first. I suppose the easiest way is to call it out by page, unless there is another suggestion.

Mr. Mike Colle (Eglinton-Lawrence): Mr. Chairman, we've read it. To me it's a very accurate summary. I think researchers did a great job of condensing all the material. I suggest that just if we have comments or changes—I have a couple of minor changes—it might be more expeditious, rather than going through it page by page.

The Chair: Are we agreed? Agreed.

Mr. Colle: I just have two minor changes. Based on the minister's presentation, I just wanted to clarify some points. It's on page 2, paragraph 5. One of the references—I checked with Hansard, and this reflects basically what Hansard said. I just want to change page 2, paragraph 5, and add to the end of the paragraph:

"The Ministry of Finance has identified \$350 million in savings as part of a line-by-line program review. This is nearly half the target of \$750 million in savings set by the government to be realized by 2007-08."

That's the change on page 2, paragraph 5. They were in the minister's comments that weren't included in the report.

The Chair: Agreed? I remember him saying it.

Mr. Colle: Yes. I have another one on page 3—

The Chair: And provide that in writing.

Mr. Colle: I have both of them. I'll give it to you in writing.

The Chair: Very well.

Mr. Colle: Second, again the same thing, the minister's comments, amend page 3 and add a paragraph after the first paragraph:

"According to the Ministry of Finance, in fiscal 2004-05, Ontario is making a net contribution to Confed-

eration of \$23 billion. This means that Ontarians pay \$23 billion more in revenues to Ottawa per year than they receive in program spending, transfer payments, and in paying our share of federal debt interest. The ministry is concerned that this large net outflow is seriously harming Ontario's fiscal capacity to invest in core government services such as health, education, and infrastructure. Ontario is Canada's economic engine—the scope of this outflow threatens not only Ontario's ability to generate new wealth but Canada's as well."

It's a reflection of what the minister and staff presented in their preliminary comments to the committee.

Mr. Michael Prue (Beaches-East York): I don't deny that it was said, but I don't know whether it was in quite the context as if it was being said today. I mean, there might have been a great many more comments to it, given that it is now a political issue. I'm not sure that it should be given that kind of priority in this report. I don't think it was intended to be that kind of priority, but at the same time, I do not deny that it was said; it was.

Mr. Colle: Yes, and that's all I'm doing. I just want to include those remarks. I'm not saying it should be given any more priority or highlighted; it's just to include those comments.

The Chair: Agreed?

Mr. Larry Johnston: Just one explanation, and that is that normally in the draft final report we don't usually include comments from the minister, because it's a report to the minister rather than the minister reporting to himself. That may reflect why some of the things that were said by the minister to the committee are not highlighted in the initial section to the degree that Mr. Colle is looking for, but at the end of the day, whatever the members wish—

Mr. Colle: What I'm trying to do basically is to say this was put before us, and I think the minister was making a presentation, as was ministry staff. I think it reflects what ministry staff was trying to put on the record too. It was before us, and that's what I'm basically saying, although it's not a huge part of the report.

Mr. Prue: As long as it's clear it's what the minister is saying.

Mr. Colle: Yes, exactly. That could be indicated.

Mr. Prue: So if the minister wants to read and think that he did a good job, I guess he can.

The Chair: I guess the committee understands what research is putting forward to you, and it would appear that there is agreement to put this into the report. Any

other suggestions, concerns or discussion about the draft report?

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Mr. Colle: If I could just comment too: What I found very helpful—and hopefully members in the House will find it helpful—is that the research request made by various members has been included. I know the work entailed by staff to put this together, and I just hope it doesn't get lost on members of the committee and on members of the Legislature that this is valuable information that has been requested and put forward by staff. I just want to make note of that.

The Chair: Any further comment or discussion on the draft report? Hearing none, the draft report will stand as amended.

Now we will move to motions. For the committee's information, these motions are deemed to have been moved. They are numbered in your package 1 through—

Interjection.

The Chair: I'm advised that the ones with dates appearing were moved. Those without a date have come in since the committee last met, which is as per the agreement. So the ones with dates are deemed to have been moved; the ones without dates have not been moved.

Mr. Colle: I'm just thinking, out of fairness, whether we should hold down the ones put forward by the official opposition and give them a further chance.

Mr. Prue: To speak to it; I think that is totally fair until someone arrives.

Mr. Colle: So what we'll do is start with the other motions, if possible, by the government or the NDP. I think that would be fair.

The Chair: Agreed? We are agreed. Then we'll move to page 2.

Mr. Prue: On a point of privilege, Mr. Chair: I have the motions, but I don't think I have them in the same way you do. I have the ones that were moved before and the ones that the New Democratic Party has put forward, but is there anything other than that? When you say page 2, I don't know—

Clerk Pro Tem (Ms. Tonia Grannum): If you use the package that was handed out, what we did was, we took your previous motions and the new ones and put them in a package in the order that they would probably appear in the report.

Mr. Prue: I don't have that package.

Clerk Pro Tem: OK, sorry.

Mr. Prue: So I don't know the order. I just want to make sure that I'm doing it all correctly here. I have all the motions but not the package.

Page 2, if I could, then?

The Chair: My understanding is that this one will have to be moved because it's not dated.

Mr. Prue: Yes, of course. I would move this motion: "Fair share" revenue package

Be it resolved that the standing committee on finance and economic affairs strongly recommends to the Minister of Finance that the government introduce, in its

2005-06 budget, a \$3.5 billion "fair share" revenue package consisting of the following measures:

At least \$1.5 billion in taxes from imposing higher tax rates on individual income over \$100,000;

At least \$1 billion from returning corporate tax rates (excluding small business) to the 2000 rate;

At least \$750 million from closing loopholes in the employer health tax benefiting large corporations.

At least \$250 million from increasing tobacco taxes by \$5/carton.

I think it's self-explanatory. We believe that there is an opportunity for the government, although it may be unpalatable, to do much of the work that you are saying needs to be done, but you're going to have to find the revenue for it. Notwithstanding that monies may one day flow from the federal government, we are certainly not holding our breath and are suggesting there is a way out of the tax mess, and that is to find the revenue.

The Chair: Further discussion?

Mr. Colle: I don't think we can support this. As much as we would appreciate the revenue—and as the member said, it would really help us to deliver on a lot of the needs Ontario has. The real problem is that it is a significant increase in taxes that would potentially do a great deal of harm to the Ontario economy, in the short term, anyway, especially the employer health tax.

As you know, we've just won a court case, where the Superior Court supported the government's notion that professional sports teams have to pay that. I think this, for example, would hurt a lot of medium and small businesses and individuals self-employed in business.

We are progressing on a plan to increase tobacco taxes to the national average. We've done the second instalment of that. We're going to proceed on that. So we cannot, I don't think, support this.

The Chair: Further comment? Hearing none, all in favour? Opposed? The motion is lost.

For the committee, page 3. This one is dated. So it has been moved. Further discussion?

Mr. Colle: Just briefly, I hope you have the inclusion of the word "film" in there, the "enhanced film tax credits." In the original motion, it just had "enhanced tax credits." I remember the reference in my discussion of it was about encouraging the minister, in essence, to follow through with that announcement made earlier this year to help the film industry in Ontario. Hopefully, this will be included in the upcoming budget. That's, in essence, the purpose of the motion.

The Chair: Technically, Mr. Colle has made an amendment to the motion. All in favour? Carried.

Now, then, to the motion; any further discussion?

Mr. Prue: I support it.

The Chair: All in favour? Opposed, if any? Carried.

I show an NDP motion on page 6.

Mr. Prue: The motion reads as follows:

Be it resolved that the standing committee on finance and economic affairs strongly recommends to the Minister of Finance that the government, in its FY 2005-06 budget, bring back the government PST rebate for the

purchase of Energy Star appliances. This program used to encourage the purchase of energy-efficient fridges, freezers, washers and dryers but expired July 31, 2004. Bringing back the rebate would constitute a meaningful step in promoting energy conservation and energy efficiency.

I think it's self-explanatory. The Minister of Energy stood up yesterday and talked about air conditioners and changing that so that we have more energy-efficient air conditioners. The only way you're going to get people to give up their clunkers—well, not the only way, but a very significant way of giving up the clunkers—that are no longer energy-efficient is to make it economically feasible to do so. It's a small price to pay in order that we will be able to close down, hopefully one day, the coal-fired generating plants.

The Chair: Thank you. Further discussion?

Mr. Colle: I think this is supportable, given the Minister of Energy's direction. It will hopefully dovetail with some of those initiatives. So this is something that's supportable.

The Chair: All in favour? Carried.

Page 8. There is an NDP motion.

Mr. Prue: It reads as follows:

Be it resolved that the standing committee on finance and economic affairs strongly recommends to the Minister of Finance that the government not privatize important public assets such as the LCBO, OPG or TVO, to deal with a short-term deficit.

1020

I know the minister has said in the past, by way of explanation, that it's not his intention to privatize, but there is a lot of information floating around about income trusts and other things that may find its way into the budget. We believe the minister should be advised that privatization of these public assets is not in the long-term public interest.

The Chair: Further comment?

Mr. Colle: Yes, this is supportable. It certainly fits in with the minister's statements and the objectives. In essence, we are hopefully not going to move in any way toward privatization of assets to fix our short-term deficit problem. So this is very supportable.

The Chair: Further discussion? Hearing none, all in favour? Carried.

Page 13, NDP motion.

Mr. Prue: The motion reads as follows:

Be it resolved that the standing committee on finance and economic affairs strongly recommends to the Minister of Finance that the government allocate at least \$100 million of new provincial money to expand Ontario's regulated, non-profit child care system in its FY 2005-06 budget. This would be over and above monies transferred from the federal government for child care purposes. This would constitute a meaningful step in implementing promises made in the Liberal 2003 election platform to invest \$300 million in child care and to extend child care assistance to 330,000 children.

This is a motion by way of some of what we heard and the necessity of a child care program. Although it appears to be stalled slightly in the federal House, there is a move afoot there to greatly expand the child care program. This, we believe, would dovetail quite nicely with federal initiatives.

The Chair: Further discussion?

Mr. Colle: We can't support this at this time due to the fact that there are these discussions going on. They're discussions that we hope will lead to a meaningful and comprehensive national child care program that will take Ontario's needs into account. So we'll await the outcome of those discussions, which Minister Bountrogianni is involved in at the present time.

The Chair: Further discussion? Hearing none, all in favour? Opposed? The motion is lost.

NDP motion, page 15.

Mr. Prue: The motion reads as follows:

Be it resolved that the standing committee on finance and economic affairs strongly recommends to the Minister of Finance that, in its 2005-06 budget, the government eliminate the national child benefit clawback and ensure, at a minimum, a 3% increase for those receiving Ontario Works and ODSP assistance. This would constitute a meaningful first step in implementing promises made in the Liberal 2003 election platform and in opposition to end the national child benefit clawback and to increase both the basic Ontario Works allowance and ODSP. This would cost approximately \$300 million.

By way of explanation, we believe the greatest single action that can be taken to eliminate child poverty, and in fact poverty in Ontario, is to end the clawback. About 40% of those on social assistance in Ontario are children, and those are the poorest of the poor. To take away those monies institutes and solidifies poverty—grinding, never-ending poverty. We had Deb Peliti who came here and got a standing ovation in the House. That poor woman who found the money and was allowed to keep it, thankfully—at least the reward portion—has her monies clawed back \$232 a month, each and every month that her kids don't get clothes and have to go to the food bank to eat. She is but one example, and we think it's something the government should make a priority.

The Chair: Further comment?

Mr. Colle: I think the motion is certainly well-intentioned, that in essence there has to be aggressive improvement in the state of our citizens who are living in abject poverty. Removing that clawback would go a long way toward doing that.

My problem with the motion is that it's extremely specific and it ties the ministry down to a \$300-million expenditure which I think is just too specific. I know that the minister is actively working with the Ministry of Community and Social Services to try to deal with this issue in a multiplicity of strategies, so I can't support this.

The Chair: Further discussion? Hearing none, all in favour? Opposed? The motion is lost.

Page 16, an NDP motion.

Mr. Prue: The motion reads as follows:

Be it resolved that the standing committee on finance and economic affairs strongly recommends to the Minister of Finance that the government allocate \$1 billion in new K-12 educational funding in its FY 2005-06 budget. This would constitute a meaningful step in implementing the Liberal 2003 election education promise of implementing the Rozanski report recommendations.

I think it's self-evident what it says. That is the minimum that's going to be required to get Ontario education back to where it was before the disastrous previous decade.

The Chair: Further comment?

Mr. Colle: Again, I think the motion is well-intentioned. The government has already committed \$1.1 billion more for education for 2004-05. In the last budget, there was a commitment of \$2.1 billion more for education over the next four years. I think it's a matter of timing and it's a matter of various challenges that the Ministry of Education has, but we're certainly moving toward full implementation of Rozanski.

Again, it's a matter of different priorities. We can't meet all the needs at once, but the Ministry of Education is aggressively moving toward healing the wounds in public education as fast as they can. We can't support this specific motion.

The Chair: Further comment? Seeing none, all in favour? Opposed? The motion is lost.

Page 17 is a motion previously moved: Any comment?

Mr. Colle: I know Mr. Wilkinson couldn't be here. He moved this. Its objective was basically to try to encourage that people with low-emission vehicles and also the new non-toxic-burning motors, the hybrids etc., and alternate fuels like ethanol be exempt from the Drive Clean program. I think it's something worth considering and see if it's plausible. I would hope that we would support this.

The Chair: Further comment? Hearing none, all in favour? Carried.

Page 19, an NDP motion.

Mr. Prue: The motion reads as follows:

Be it resolved that the standing committee on finance and economic affairs strongly recommends to the Minister of Finance that the government allocate sufficient funds to hire a minimum of 3,000 new nurses in its FY 2005-06 budget. This would cost approximately \$150 million and would constitute a meaningful step in implementing the Liberal 2003 election promise to hire 8,000 new nurses.

By way of explanation, we're closing in on the second year of the mandate. We're halfway through the mandate and we're nowhere near the number of nurses that need to be hired. We would need another 3,000 new nurses, at least, in order to keep up with that promise. We don't believe that waiting until the last year of the mandate and then suddenly trying to find 8,000 is realistic, and we're asking that the government show its commitment in this budget by hiring 3,000 at this time.

The Chair: Further comment?

Mr. Colle: Again, it is our intention to move toward hiring the 8,000. We've already put money forward to hire 3,600 additional new places. This is being done on a schedule in conjunction with the Ministry of Health. So this specific direction in this motion would not be acceptable at this time.

1030

The Chair: Further comments? Hearing none, all in favour? Opposed? The motion is lost.

Page 29, an NDP motion.

Mr. Prue: The motion reads as follows:

Be it resolved that the standing committee on finance and economic affairs strongly recommends to the Minister of Finance that the government, in its FY 2005-06 budget, reverse the Conservative's 15% increase in long-term-care rates and continue to phase in operating increases to bring Ontario's per capita funding for long-term care up to the national average. A meaningful step in this direction would be an operating increase of \$200 million.

Again, for those who live in long-term-care facilities, the 15% increase constitutes a real hardship. Most of the people who live in those facilities, or almost all of them, are infirm. Many of them have cognitive disabilities. Most of them have very meagre pensions. Some of them rely wholly on government programs and old age pensions. The 15% increase literally robs them of any spending money or opportunity that they might have for what one should not consider luxuries but life's necessities, such things as getting your hair cut and other things for which they must pay in those facilities. We believe that the government has an obligation to our senior citizens and to those in those facilities to ensure that they at least have some modicum of comfort and opportunity to make personal choice, such as getting a haircut. We ask that this motion be approved.

The Chair: Further comment?

Mr. Colle: Again, the sentiment is something we can support. We have increased the commitment in real dollars to long-term-care facilities. I think it's over \$300 million, and front-line nurses etc., and the ministry is aggressively looking to implement a lot of the recommendations of the report by MPP Monique Smith from Nipissing. It's just that that \$200 million is something that is too specific to tie the minister down with at this time. So we don't support it.

The Chair: Further comment? Hearing none, all in favour? Opposed? The motion is lost.

Page 30, an NDP motion.

Mr. Prue: The motion reads as follows:

Be it resolved that the standing committee on finance and economic affairs strongly recommends to the Minister of Finance that the government allocate sufficient funds in its FY 2005-06 budget to put in place:

—12,000 new rent supplements at \$4,450 per unit. This would cost \$53.4 million

—7,000 units of affordable housing at \$50,000 per unit for a cost of \$350 million.

The rationale behind this motion is that the rent supplements—only 400 have been instituted, at least that I am aware of, and I'm also the housing critic. I went to the announcement. Minister Gerretsen was there, Anne Swarbrick was there from the Toronto agency that is going to do this, and 400 rent supplements are in the works.

What was promised was, I think, 35,000 rent supplements. What we're saying is that into the second year of the mandate, if this is to be a realistic promise, then we have to start acting on this. It is an expense which we acknowledge at \$53.4 million, but there are 170,000 people, and that constitutes 70,000 families, on the waiting list for public housing in Toronto alone. There's double that number if you take the whole province. Much of the anxiety that these people are facing can be resolved with rent supplements. We know that it will take a long time to build the actual units, and we are suggesting that this should be done immediately.

The second part is 7,000 units of affordable housing. The promise that was made during the last election by the now Liberal government was that they would build 20,000 units of affordable housing. We're into the second full year of the mandate and nowhere near one third or one quarter—hardly any affordable housing units at all have been built. We believe that although the cost is high, the need is absolutely great and that it is a commitment that must be met. We're asking that this motion be carried and forwarded to the minister for his consideration.

Mr. Colle: As some members of the committee may know, Minister Caplan is actively working on this file. He's in discussions with the federal government, trying to come up with a financing capital approach that will allow the government to get back into building affordable housing. There is the full intention to do that. It's just that this motion is, again, much too specific in nature. We have to allow the Minister of Finance to work together with the ministry, as they are right now, and hopefully there will be some serious progress made very quickly on this front. We can't support this as worded at this time.

The Chair: Further comment? Hearing none, all in favour? Opposed? The motion is lost.

NDP motion, page 32:

Mr. Prue: The motion reads as follows:

Be it resolved that the standing committee on finance and economic affairs strongly recommends to the Minister of Finance that the government, in its FY 2005-06 budget, continue to freeze all regulated and deregulated college and university programs as well as ensure that funding is sufficient to compensate for the tuition freeze and to implement the Rae recommendations for 2005-06. These commitments would cost approximately \$900 million in operating funding (including base and student aid), \$550 million in capital funding and \$60 million to compensate for the tuition freeze. This would total \$1.51 billion and would constitute a meaningful first step in implementing the Rae report recommendations as well as to support the tuition freeze on all college and universities programs.

By way of explanation, yesterday or the day before in the House, the member from Trinity-Spadina stood up and asked the question about freezing and was assured by the minister that in fact tuition fees would be frozen. The rest falls into place here with the Rae recommendation of ensuring that adequate operational funding and capital funding would fall into place. We think it's a no-brainer; we ask for your support.

Mr. Colle: This is one of the minister's priorities. He's stated that emphatically. The Rae report is widely accepted as an important critical milestone for Ontario to achieve. In that light, I think this is supportable as a motion, because it certainly, as I said, is one of the two main priorities in our discussions with the federal government on the upcoming budget. This is supportable.

The Chair: Further comment? Hearing none, all in favour? Opposed? The motion is lost.

Mr. Prue: Lost? No. They all voted for it.

Mr. Colle: I think it was unanimous.

The Chair: I'll call it again. All in favour? Carried. I apologize.

NDP motion, page 34.

Mr. Prue: I think this is the final motion, at least that I have. It reads as follows:

Be it resolved that the standing committee on finance and economic affairs strongly recommends to the Minister of Finance that the government allocate the full two cents of the gas tax to municipalities for public transit in its FY 2005-06 budget. This would cost approximately \$160 million and would honour the Liberal 2003 election promise to allocate two cents of the gas tax to Ontario's municipalities for badly needed public transit.

By way of explanation, we understand that the government is committed to the two cents, and no one is denying that. The question here is the timetable. The timetable that was set out in the past was that it was one cent in October, going to a cent and a half this coming October, and finally to two cents before the end of the mandate.

We believe that the needs of the transit authorities across the province are great. We have heard the transit authorities in places like London, Hamilton, Toronto and Ottawa say that there is not sufficient money and we are simply suggesting that it be speeded up. This is a request to the minister to speed up that funding so that we get to the two cents earlier, rather than later.

Mr. Colle: I think the problem with this is, again, that there is a schedule of implementation. At this present time we're trying to follow that flow of money. Hopefully we can get help from our distant federal cousins so that this could be expedited. We can't support this at this time.

The Chair: Further comment? Hearing none, all in favour? Opposed? The motion is lost.

That completes the motions put forward by persons—however, we do have motions that have been put before the committee by the official opposition, the ones that are dated, that we have not discussed. It is our understanding that a member might be here at 10:55, so I ask the committee members for some guidance here. Citing the

fact that you skipped these to do the ones previously done, now how shall we proceed?

Mr. Colle: Let's just recess until 11.

Mr. Prue: Recess to 11 o'clock. If they are not here, we have two alternatives: We can either proceed with them, because they have been duly made, and we can vote on them, or we can adjourn until this afternoon, because we have set that aside. I don't want to prejudice. Let's see what happens at 11 o'clock.

Mrs. Carol Mitchell (Huron-Bruce): I just wanted to get my viewpoint across. The meeting was scheduled at 10. They knew that this was coming forward. I'm more than prepared to recess and come back for 11 o'clock, and I realize that there has been time set aside, but I do think that we need to deal with it this morning.

The Chair: Very good.

Mr. Colle: Let's just move to recess until 11 o'clock.

The Chair: The committee is recessed until 11 o'clock this morning.

The committee recessed from 1043 to 1100.

The Chair: The standing committee on finance and economic affairs will come to order once again.

We will now go through motions previously put by the official opposition. We'll begin on page 1. Is there any comment?

Mr. Jim Flaherty (Whitby-Ajax): This is item 1; this is a tax reduction. Yes, I move that.

The Chair: Any further comment, in support?

Mr. Colle: It's above and beyond any kind of reasonable approach to fiscal management, if you look at the specifics asked for in this motion. I can't support it.

The Chair: Further comment?

Mr. Prue: I could support some of it, but certainly I'm not going to support it as a whole package. I do have some real difficulties with number 5, on the public service. We're in the middle of negotiations. I do not believe that public servants are overpaid. Quite frankly, I don't know what "rebalance the roles of the public and private sector" means, but that smells to me of privatization and I cannot be looking at that. So, notwithstanding that I do support some of it, I will be voting no.

The Chair: Further comment? Hearing none, all in favour? Opposed? The motion is lost.

Page 4: This motion has been previously put. Further comment? Hearing none, all in favour? Mr. Colle, do you have a comment?

Mr. Colle: There's no problem with this motion just asking for an update, and we're more than happy that we have an update for the member, if he wants. So I can support this.

The Chair: Further comment? Hearing none, all in favour? Carried.

Page 5: This motion has been previously put. Further comment? Any comment?

Mr. Colle: We can support this, given the implication of removing the cap.

Mr. Prue: I'm not sure, and maybe I'm not reading it right, but this is upholding the hard cap, not removing the cap. Your government has allowed the city of Toronto to remove the cap and substitute a 1.5% increase. This is a

change in government direction. Is that what you're indicating?

Mr. Colle: No. If I could just explain it, it's basically that our intention is to keep the cap on increases on the commercial assessment—increases by municipalities. We've said to a number of cities that have asked for exemptions, like Ottawa, Toronto and Sarnia, that we would consider those applications, but it is our intention to try to keep that cap because we do believe that there is a serious challenge in the taxes paid by business and property taxes.

Mr. Prue: OK. So you're supporting this motion, which would not allow for an exemption.

Mr. Colle: Not necessarily. We're saying that we're still committed to try to hold the cap, but we made that change in last year's budget, which said we would consider applications, that when a community like Ottawa or Toronto is faced with massive increases on the residential, they would be allowed—up to 50% of the increase to be passed on to commercial. That's why we said we would consider that. That application being made still holds.

Mr. Flaherty: I obviously support the motion. Those of you who actually care about the future of the city of Toronto, I would urge you to support the motion, and I would urge the government not to provide exceptions to the hard cap, because the commercial-industrial tax ratio for the city of Toronto is way out of line. The result of that is that there are no new buildings of a commercial nature of any size being built in the city of Toronto. They're being built in Vaughan, Mississauga and Durham region. That is going to continue so long as there is this ratio of 7 to 1 or 8 to 1 in the city of Toronto, and it's 4 to 1 or so in the city of Mississauga. Those people who actually talk a lot about helping the city of Toronto can help a great deal by maintaining the hard cap and getting those taxes back in line, because it's quite obvious that the city of Toronto's government does not have the will to do that.

The Chair: Further comment? Hearing none, all in favour? Carried.

The motion on page 7 has been previously moved. Any comment?

Mr. John O'Toole (Durham): Do we have to enter these or read them or anything?

Mr. Colle: No, they're already moved.

Mr. O'Toole: This is a really important initiative. I think with your strategy on energy and energy efficiency, this is really trying to encourage efficiency. In fact, it was mentioned yesterday in response to the Minister of Energy and his idea of bringing in regulations dealing with air conditioning and making them 30% more efficient. There are a lot of other ways—NRCan and others have suggested ways to be building-efficient, or in fact heating and cooling of the building itself, the building at R2000 and those types of instruments. This is just to include a building materials exemption. I think it would be good advice to the minister. Whether or not they follow through is certainly—I would ask for your support in that light.

The Chair: Further comment?

Mr. Colle: I think it's a motion of support.

The Chair: Any other comment?

All in favour? Carried.

Page 9: This motion has been previously moved. Any comment?

Hearing none, all in favour? Carried.

Page 10: This motion has been moved. Any comment?

Mr. O'Toole: Again, it's not a popular topic, but there is a bill before the House today; I think it's Bill 159—is it? The tobacco bill. Or is it 156? I think 156 is the bill banning tobacco. It is probably the right public health and public policy thing. How you do it and how you implement it is where the debate should be; not if we should ban, but how.

This is a way of giving transitional funds that were promised during the election by your government in the amount of \$50 million to transition the current tobacco industry out of that product. Otherwise, you're basically putting them in a box and throwing them off a bridge. I don't think this is a surprise to you. It's just a repeat of your election promise to develop a transition strategy for agriculture in the tobacco area. I would ask for your support to encourage—and to support Minister Peters. He needs support. I think there are other members sitting—Mrs. Mitchell might be interested in that ministry, because somebody is going to have to move Steve Peters; there's no question. He's running into very difficult receptivity in the community—certainly in mine, and Mr. Hoy's as well.

The Chair: I remind the member that we're speaking to the motion on page 10, which might be on a similar subject.

Mr. O'Toole: How come we skipped 9?

The Chair: Number 9 carried.

Mr. O'Toole: Oh, good. I apologize. How did I miss that?

Mr. Colle: Because they're very similar.

The Chair: You were overcome with joy, I suspect.

Mr. O'Toole: It's the same thing, in the same vein. It's on tobacco. That's why I got misled there—at least, that's a nice faking out of it. On the same basis, it's supporting transition in tobacco farming. There you go. I'd ask for your support.

The Chair: Further comment?

Mr. Colle: Just that this is redundant. The committee has already endorsed the first one. This is just rhetoric and a repeat. There's no need to support this one. We've already supported the previous one.

1110

The Chair: Further comment?

Mr. Prue: I can't vote for number 10 because of "take action to sustain the industry." I don't believe that something that has been determined to be injurious to health should be sustained. I realize that it's going to take some time. I am not against smokers themselves, but I hardly want to sustain an industry. To what purpose? I don't understand. I think we have to ease them out. I

voted for the last one but I don't want to sustain the industry.

The Chair: Further comment? Hearing none, all in favour? Opposed? The motion is lost.

I would just remind the committee that we have completed some of these, so we will be skipping pages to do the official opposition motions. That's what we're working on now. It's just the official opposition motions.

Interjection.

The Chair: I'm advised that number 11 is out of order.

Mr. O'Toole: Why's that?

Clerk Pro Tem: You have to word it differently, that "the committee suggests" or—you're directing the Legislative Assembly to do something. We don't have the authority to do that.

Mr. O'Toole: I move that the committee recommend to the government that they strike an all-party task force on the viability and future viability of agriculture.

The Chair: Do we have agreement on the amendment? All in favour of the amendment?

Mr. O'Toole: Could I have a recorded vote, please.

Ayes

Colle, Jeffrey, McNeely, O'Toole, Prue, Zimmer.

The Chair: All opposed? The amendment is carried. Further comment? Hearing none, all in favour?

Mr. O'Toole: Recorded vote.

Ayes

O'Toole, Prue.

Nays

Colle, Jeffrey, McNeely, Mitchell, Zimmer.

The Chair: The motion is lost.

We move to page 12, a previous motion. This motion has been put. Further discussion?

Mr. O'Toole: We've heard quite broadly that the plight and challenges in agriculture are not limited to BSE but include things such as the CAIS program not being adequately responsive to other commodity groups. If you're paying attention to that issue, it is needing some very serious fine-tuning. I know the Chair knows this all too well. It does not suit all commodity groups very well.

On behalf of the corn producers who made the presentation, we are going to ask that the minister meet with them—this is just this committee—before this year's planting and commit to reviewing the market revenue program.

Again, this is the wish of this committee and that's why I ask for your support.

The Chair: Further comment?

Mr. Colle: I think there's a lot of rhetoric and presumption here. The motion says the Nutrient Manage-

ment Act and source water protection act are destroying rural Ontario communities. I can't agree with that and I think that's very, very rhetorical and vexatious and not worth supporting.

The Chair: Further comment?

Mr. O'Toole: Just quickly on that, I think if you read the full sentence, it says those particular programs, "along with other pressures"; commodity prices are at an all-time 20-year low. They're providing a difficult environment for rural Ontario communities, not destroying. It is a bit strong and I agree with you there. I apologize if I upset anyone with that harsh language. Given that acquiescence there, would you then support this? You won't support it even if I do remove the word "destroying."

The Chair: Further comment?

Mr. Prue: I would like to move an amendment. I would like to strike the first paragraph in its entirety, because it is vexatious and it is wrong-headed, but I think the recommendations should stand and can stand without a preamble.

It's simply asking that the minister respond in a budget increase for agriculture—and we know that the farmers are hurting—and, secondly, that the minister meet with the OCPA, the Ontario Corn Producers' Association, before this year's planting, which I would think is sometime this spring, and that commits to review the market revenue program to ensure that the farmers have adequate revenues and can continue to farm the land.

I think what is being proposed is not bad. The way we got to the proposal, of course, was perhaps not the most politically astute move. So I would just move that we strike the entire first paragraph. If we do, I will support the motion.

The Chair: We have a motion to omit the first paragraph. Any discussion?

Mr. Colle: I'm worried about the last paragraph. Is it asking the Minister of Agriculture or the Minister of Finance to meet with the corn producers' association? I would support just the middle paragraph, which is, I think, the overall objective and pertains to the Minister of Finance. I would be supportive of just leaving the middle paragraph and extracting the other two, which could be problematic in terms of the first one especially, and the second one, whether it's the Minister of Agriculture or the Minister of Finance.

The Chair: Further discussion?

Mr. O'Toole: If you want to call the question on just that middle paragraph, I think it's very succinct.

The Chair: The motion before us is to remove the first paragraph. All in favour? Opposed? So it's carried, that the first paragraph is removed. Further discussion?

Mr. O'Toole: I would move that the last paragraph be removed.

The Chair: Discussion? All in favour of removing the last paragraph, the third one? Carried.

Mr. O'Toole: I would move that we call the vote on the middle paragraph.

Mr. Colle: On a point of order, Mr. Chair: It should be just a small change there, that "The committee respectfully requests," rather than "I."

The Chair: All in favour of that? Agreed. It will read, "The committee respectfully requests" etc. Further discussion? All in favour?

Mr. O'Toole: Recorded vote.

Mr. Colle: Unanimous.

The Chair: Unanimous. The motion is carried.

Now we move to page 14. The motion has been put. Further discussion?

Mr. Colle: We're in support of this. I think it's a good intention here.

The Chair: Further discussion? Hearing none, all in favour? Carried.

Page 18: This motion has been put. Further discussion?

Mr. O'Toole: Just to comment on this, in the media, as we speak, is the issue of both collapsing the CCACs, the community care access centres, in the study under Elinor Caplan, as well as the district health councils that were being disbanded under the LHIN system. There are issues with respect to severance and transition. I think what we're really trying to do here is to make sure that health care dollars are spent for front-line services and patient services. So, you know, I think it's important that we send a signal here, however the wording might work, that you'll find support. I think you'll find support in the House for measures of addressing adequacy in health care.

The Chair: Thank you. Further discussion?

Mr. Colle: I can't support this motion. It's vexatious, rhetoric and, essentially, very provocative. It doesn't help in any way, shape or form to deal with the challenges we face in health care.

The Chair: Further discussion?

Mr. Prue: I'm not going to vote for this unless the mover separates the second paragraph. That's the only one that I can agree with. I don't think that it's wise or justified to spend a portion of the \$2.5 billion from this regressive tax in simply cutting workers and paying out severance. If it's going to be used for actual health improvements, so be it; that I can live with. But to simply lay off nurses, as has been done this past month in Ontario in places like Sault Ste. Marie, the Chair's riding and wherever else, to my mind, is not a good application of those dollars. I don't support the other three paragraphs.

1120

The Chair: Further comment? Hearing none, all in favour?

Mr. O'Toole: Recorded vote, please.

Ayes

O'Toole.

Nays

Colle, Jeffrey, McNeely, Mitchell, Prue, Zimmer.

The Chair: The motion is lost.

Page 20: This motion has been previously put. Further discussion?

Mr. O'Toole: Well, I guess I'll speak to this. Mr. Colle has recognized, as I do, as the federal government and Romanow and everyone else has recognized, health care and the current dilemma of hospitals. What we're saying here is that the government set up an all-party committee to review hospital operating and capital budgets. The problem is, you're going to bring in audit teams. I guess you might say, if I want to be critical of our own actions, we did it with a couple of hospitals. You've done it with Bill 8, which is the mandatory balanced budget for hospitals, which is creating, according to Hilary Short, great stress and dilemma in the system. We heard it in Ottawa. It means they're going to cut people, which cuts services, which affects patients. So when we put these outside people in there—and no disrespect to some of the people who are appointed, but we were roundly criticized, everybody from the health services restructuring commissioner, who was the associate dean of medicine at Queen's when we appointed him. He wasn't some political fly-by-night, but he was widely criticized.

What I'm suggesting here is an all-party committee. It's such an important component of our budget in this province that it would be unwise—I sit on the estimates committee and lots of those types of committees. The public accounts committee spends all its time with the auditor. I think it would be wise for you and your democratic renewal to say, "Spend your money where the money is," and it is in health care. There should be a specific committee. If they review best operating principles, achieving your targets on accountability, best measurements in terms of shorter waiting times, all these are laudable goals. Where's the action plan?

If you want to modify this, what I'm trying to get at is making sure that the elected people who are accountable for the hospitals in Northumberland—or whether it's in Toronto or in Mr. McNeely's riding of Ottawa—are there at the table bringing forward the issues, whether it's the Kingston hospital issue, the Peterborough hospital issue or Lakeridge Health. We should be doing it. Don't appoint this to some ne'er-do-well. I think sometimes the appointees are political puppets as well. Roy Romanow wanted to be in the Senate. Kirby wrote the best report, and he's already in the Senate.

Mr. Colle: Kirby did write a good report.

Mr. O'Toole: Yes, Kirby's report's extremely good, Mr. Colle; I agree with you. Anyway, I would ask that we encourage the minister, in their review, to—OK? Thank you very much. I ask for your support.

The Chair: Further comment?

Mr. Colle: I can't support this, especially the first part. It's making a lot of assumptions, and there's a lot of rhetoric there too. I just mention that we did pass a bill that expanded the powers of the Provincial Auditor, now called the Auditor General, in the province of Ontario who now, for the first time, can go into hospitals. I don't

know whether I as a member would want to go to micromanaging hospital budgets or long-term-care budgets. I think it's a transition that's in capable hands. It's going to take a lot of work. As the member said, it's not easy. A lot of people have tried, but I think there is a process in place and I have full faith in the Auditor General to play a watchdog role and ensure that the money is well spent in our quite sizable health care and hospital budget, which is over \$11.1 billion, I think, as we're speaking.

The Chair: Comment?

Mr. O'Toole: Recorded vote.

Ayes

O'Toole, Prue.

Nays

Colle, Jeffrey, McNeely, Mitchell, Zimmer.

The Chair: The motion is lost.

Page 21: This motion has been previously put. Further comment?

Mr. O'Toole: We got a very passionate and informed presentation from Anne Wright and Mayor Marilyn Pearce from Scugog at the Whitby site of these hearings. They addressed the issue of multi-site hospitals, such as Lakeridge. There are several of these hospital governance models throughout the province. They have an alliance with the University of Toronto. I would ask that the Minister of Finance address the issue of multi-site hospitals, as well as teaching programs within these settings, in a separate funding envelope.

There is a process, called the JPPC process, in the hospitals. That joint planning and priorities committee for the hospital sector is pretty much run by the teaching hospitals in Toronto. I'd be quite honest to say that. They have set up what they call a global budget for the hospitals. That global budget is sort of like the base operating budget. It does a count of such things as the number of procedures, whether it's eyes or hips and knees or MRIs. If the base is incorrect and not adjusted for population growth or decline or additional functions, the global base is wrong.

So what I'm trying to say here is that there needs to be a complete review of hospital-based funding. Maybe this is where they're directing it when you build in these accountability mechanisms in hospitals. I ask for your support that the minister address specific funding needs within the hospital sector.

The Chair: Further discussion?

Mr. Colle: I think the members opposite must agree, that's one of the values of going to sites like Whitby; this committee has gone to Pickle Lake. I think it's valuable for us to meet face to face with advocates and representatives of the hospitals and ordinary people in Ontario. This was a very strong presentation, and I think this motion is worth supporting.

The Chair: Further comment? Hearing none, all in favour? Carried.

Page 22: Further comment?

Mr. O'Toole: That's why on this committee level I feel quite comfortable being completely transparent in terms of what we responded to. The audiologist issue is not new. In fact, all of what I'd call some of the tiers in health care providers—in that, I would include audiologists. They're highly trained professionals who always operate under the practice of a GP or somebody. But also, if you want to look at it, one of the real opportunities in health care is the role of the optometrists. TPAs, they call them: therapeutic prescription—they can actually write prescriptions, where the family practitioner may not know as much about the eye.

This is recognizing that there is a saving that was brought to our attention, where audiologists would be able to provide, under regulation, certain tests, procedures, whatever, especially in the infant literacy area. Hearing and having their ears tested is one of the contributing factors to literacy and speech and language; it is. It's a primary part of the speech and language program. But they would have to go through a doctor to prescribe this test, which is a waste of money. They've said they could save \$73 million. I'd ask for your support for the minister to review it, period. Save \$73 million.

The Chair: Further comment?

1130

Mr. Prue: Yes. I'd like to echo those concerns. The presentation was really quite good. Governments, no matter what party, always have to look at ways of saving money. This seems to me to be a very easy one. I have no doubt that many people will continue to go to their doctor and be referred, because people are sort of into this practice, but it makes very little sense to me that the doctor be the precursor, that it be mandatory when you know all you need is your ears tested. There are hearing clinics all over this province that can do the job very easily without the need to involve the doctors. It would free them up more time, and it would allow the limited number of doctors we have in the province to look at those things for which they are qualified.

Mr. Colle: I thought that was a good presentation, and it perked my interest, talking about \$73 million in savings, but it's never that easy, it seems. I've already asked ministry staff to begin looking at that; I was interested myself to get an answer. I think it's a supportable motion.

Mr. O'Toole: In the interest of co-operation here, which I respect, the audiologist was the same thing each of you have had from optometry as well. They're called TPAs. You were there; I brought it to both Elizabeth Witmer and Tony Clement. It made very good sense for an optometrist—

The Chair: We're on another subject.

Mr. O'Toole: I know, but I'm trying to maybe move an amendment here. I'll move the amendment that we include optometrists and TPAs to be investigated for future savings.

Mrs. Mitchell: It's on page 27.

Mr. O'Toole: Is it? Thank you, Mrs. Mitchell. I forgot.

Mrs. Mitchell: In the spirit of co-operation.

The Chair: You'll withdraw that, then?

Mr. O'Toole: I withdraw that comment.

Mr. Colle: You're behind yourself.

Mr. O'Toole: I'm not even here, partially.

The Chair: All in favour? Carried.

Page 23: Further comment?

Mr. O'Toole: At the risk of being self-critical, I met with Pran Manga, who's a health economist. He's a Ph.D. at the University of Ottawa who analyzed, objectively and professionally, the implications of chiropractic services. It's an alternative form; it's a patient-choice form of medicine. This is a worthwhile report. All I'm asking here is to review the Manga report, because there's money there. Recorded vote.

The Chair: Further comment? Hearing none, all in favour? Opposed? Lost.

Page 24: Comment?

Mr. O'Toole: Again, I'm asking for your support and, in the interest of patients, that you review your ill-conceived and ill-advised plan of eliminating chiropractic service.

The Chair: Further comment?

Mr. O'Toole: Recorded vote.

Ayes

O'Toole, Prue.

Nays

Colle, Jeffrey, McNeely, Mitchell, Zimmer.

The Chair: The motion is lost.

Page 25: Comment?

Mr. O'Toole: This one is not quite as vehement or wordy. What it said was—there's another duplication here—that chiropractors, to access radiological services, had to go through doctors. It's the same old duplication issue. I'd ask for your support.

The Chair: Further comment?

Mrs. Mitchell: I'm pleased to speak to this. It is my understanding that the process has not changed; it was always through doctors' orders and it was only site-specific. Certain spots had changed within their own communities. We have done the research and found that nothing has changed in the process, so it would be our position that we maintain the process.

The Chair: Further comment? Hearing none, all in favour? Opposed? The motion is lost.

Page 26.

Mr. O'Toole: A lot of what I'm saying is, here's your chance to do the right thing. There is a duplication inherent in the system today, that Canadian food and health—I forget their acronym—are the ones that approve all of the new foods, drugs and all the rest of the

stuff that comes into Canada, and then there's an Ontario drug formulary committee as well.

I'm a layperson. I'm not a professional, obviously, but my impression was that all governments use that as a delay to prevent the drug from getting on the formulary, which has to be funded. In Ontario, we have a very ambitious and generous drug program for seniors and low-income persons called the Trillium plan.

We all know that drugs are an important part of rehabilitation and all that stuff today, but those duplications cost millions of dollars. They go through tests but they've already been approved federally, otherwise they can't be sold here.

So I ask that you support this. Mr. Smitherman is doing the best he can, let's put it that way, but the civil service is entrenched—

Interjection.

Mr. O'Toole: As good as he can do, and he can't do very well.

Mrs. Mitchell: I appreciate the support.

Mr. O'Toole: It's not support; it's a masked comment.

But in the civil service, there are people who are entrenched. I worked for General Motors for some 30 years, in a lot of different positions. This is worse than General Motors. It's so entrenched. I don't blame individuals, but they're so territorial about the drug section, the long-term-care section, the hospital section, and any relationship stuff doesn't get moved very quickly. This committee—and there's an independent panel of experts. They're pharmacologists and all these kinds of people. It's not that they aren't qualified, but they think they should go through this rigorous review of drugs that have already been rigorously reviewed.

I'd ask for your support. It's duplication and waste.

The Chair: Further comment?

Mr. Colle: We can support this.

The Chair: Mr. Prue, did you have a comment?

Mr. Prue: No, I was just going to vote yes.

The Chair: I saw your light come on there.

All in favour? It's carried.

I'm going to interrupt for a moment. This being Thursday morning, there are private members' bills in the House. Should there be a bell, we would recess to go and vote, for those committee members who would want to do so. I can't anticipate whether there would or would not be a bell—

Mr. O'Toole: There should be, I'm told.

The Chair: I can't anticipate that. I'd just remind you of the current time. We can come back this afternoon. I think there are three motions yet to go and I have a number of procedural things for the committee to consider in terms of presenting their report etc. So I just remind you that if we got to a bell situation, I would adjourn until—

Mr. Colle: Let's move quickly.

Mr. O'Toole: OK, I'll move very quickly. I'll cut back the comments.

The Chair: We are now at page 27 and the motion has been put.

Mr. O'Toole: This one just encourages you to allow optometrists to prescribe—

Mr. Colle: Yes, we're—

Mr. O'Toole: In support of that?

Mr. Prue: I vote for that, yes.

Mr. O'Toole: Great.

The Chair: Further comment? Hearing none, all in favour? Carried.

Page 28.

Mr. O'Toole: I'd ask for your support in considering a ventilation—

Mr. Prue: Not a chance.

Mr. O'Toole: There should be an amendment to Bill 156, is it? Is 156 the smoking bill?

Mr. Colle: Whatever. OK, let's vote.

The Chair: Further comment?

Mr. O'Toole: Call the vote.

The Chair: Hearing none, all in favour? Opposed? The motion is lost.

Page 31. The motion has been put. Any comment? Hearing none, all in favour? Opposed? The motion is lost.

Page 33. The motion has been put.

1140

Mr. O'Toole: I'll be very brief. There was a presentation made in Whitby asking for a contribution to the infrastructure of Ontario's or indeed Canada's newest university. I know that Bob Rae, in his report, would like to see these innovative new forms of universities and post-secondary. It encourages and improves access for students from Northumberland and from Peterborough. Just put this to the minister's attention and support Minister Chambers, who is trying to do a good job.

The Chair: Further comment? Hearing none, all in favour? Carried.

I'm advised that there is another motion—I believe members have a copy—put forward in the name of Mr. McNeely. Mr. McNeely, you would need to read this into the record.

Mr. Phil McNeely (Ottawa-Orléans): I move that the standing committee on finance and economic affairs recommends that the Minister of Finance include in the budget funds for a province-wide Better Buildings Partnership program, based on the world-renowned Better Buildings Partnership program that has been in place in the city of Toronto for the past eight years.

Could I expand on that?

The Chair: Further comment?

Mr. McNeely: This came out of the meeting in Ottawa and my experience on city council in the city of Ottawa. I'd asked the question of Mr. Koch, who presented to us there. His comments were, "That program is being accepted by a lot of municipalities in Ontario, but it only represents currently, to my knowledge, about seven to 10 right now." That's in Hansard.

I feel this is an excellent program. It should be in place and it's not going to be in place if we don't have prov-

incial direction for it. The city of Toronto got \$8 million from the Canada-Ontario infrastructure program eight years ago. That money has now grown to \$9 million. In addition to that, they're generating \$20 million a year in energy savings. It retrofits buildings. It gives low-interest or no-interest loans to retrofit buildings.

Some of the benefits that come from it: This investment stays there—in Toronto's case, it has grown from \$8 million to \$9 million; it pays for itself; a lot of jobs come out of it—they feel over \$100 million worth of construction; it reduces energy use by \$20 million a year; and the last thing is, it reduces emissions. This is a good program and I'd like it supported here.

The Chair: Further comment?

Mr. O'Toole: As the opposition energy critic, I would support that. In fact, it's kind of implied in one of our amendments that was brought forward. Mr. McNeely, in the spirit of co-operation, I'll be supportive of that program. It's an excellent program. In fact, it's better than the one Dwight introduced yesterday.

The Chair: All in favour? Carried.

That completes motions, I do believe. I see no further motions coming.

The Chair would like to know how we will be responsible for signing off on the final draft. This could be done by the Chair or the subcommittee or the full committee. The draft has had two changes. Who would sign off on the final draft?

Mr. Prue: I trust you to do it.

Mr. Colle: I have no problem with the Chair doing it. We have full confidence in the Chair.

The Chair: Very good. We're agreed that the Chair—agreed.

Mr. O'Toole: Chair, if I may ask a question, and I do apologize. It's my private member's bill today—

Mr. Colle: That's why we want to wrap it up and get out of here.

Mr. O'Toole: Number 4 was the one on the recreational vehicles tax. Did that pass?

Mr. Colle: Yes.

Mr. O'Toole: Very good. Thank you.

The Chair: Does the committee adopt the report, as amended, and all the recommendations that were carried? Agreed.

Mr. O'Toole: A question, Chair.

The Chair: Quickly.

Mr. O'Toole: How are the recommendations going to be handled, by section or as a summary?

The Chair: I have a list of items here. What's your question again?

Mr. O'Toole: How would the recommendations be handled? As an appendix?

Interjection.

Mr. O'Toole: OK, right at the end as an attachment, and indexed as such.

The Chair: We require a deadline for the possibility of dissenting opinions to the report. Would February 21 at 5 o'clock be advisable for any dissenting report to be put forth?

Mr. Colle: Sure.

Mr. O'Toole: That's next Monday. Dissenting report? I'll have to ask; I'm not the critic. How about February 22?

The Chair: OK, February 22, 5 p.m.

Mr. O'Toole: Yes.

The Chair: How shall I present this report: with a motion that the recommendations contained in the report be adopted? This went to the Legislature last year. Is that the wish of the committee again?

Mr. Prue: Same way.

Mr. Colle: Yes, the same.

The Chair: Does the committee request that the government table a comprehensive report to the committee report within 120 calendar days? We did not request this last year. It was deemed by the committee that the budget would reflect the—

Mr. Colle: Yes, dispense.

The Chair: Agreed? OK, so we will not do that.

Shall a copy of the final report, along with the dissenting opinions, be forwarded to the Minister of Finance prior to being tabled in the House? We have done that in the past, it's my understanding, because we were in intercession, but we are not now. It would be tabled in the House, and I believe the minister would see it immediately following.

Mr. Colle: That's fine.

The Chair: So we will not give a copy prior to putting it to the House. Agreed? Agreed.

Does the clerk of the committee have the authority to have the report and dissenting opinions translated and printed?

Mr. Colle: Yes.

The Chair: Agreed? Agreed.

We are adjourned.

The committee adjourned at 1147.

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Mr. John O'Toole (Durham PC)

Mr. Michael Prue (Beaches–East York / Beaches–York-Est ND)

Mr. John Wilkinson (Perth–Middlesex L)

Substitutions / Membres remplaçants

Mrs. Linda Jeffrey (Brampton Centre / Brampton-Centre L)

Mr. David Zimmer (Willowdale L)

Also taking part / Autres participants et participantes

Mr. Jim Flaherty (Whitby–Ajax PC)

Clerk pro tem/ Greffier par intérim

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Official Report of Debates (Hansard)

Thursday 21 April 2005

Journal des débats (Hansard)

Jeudi 21 avril 2005



Standing committee on finance and economic affairs

Tobacco Control Statute Law
Amendment Act, 2005

Comité permanent des finances et des affaires économiques

Loi de 2005 modifiant des lois
en ce qui a trait
à la réglementation
de l'usage du tabac

Chair: Pat Hoy
Clerk: Trevor Day

Président : Pat Hoy
Greffier : Trevor Day

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Thursday 21 April 2005

Jeudi 21 avril 2005

The committee met at 0902 in committee room 151.

SUBCOMMITTEE REPORT

The Chair (Mr. Pat Hoy): The standing committee on finance and economic affairs will please come to order. We are here today on Bill 164, An Act to rename and amend the Tobacco Control Act, 1994, repeal the Smoking in the Workplace Act and make complementary amendments to other Acts.

Our first order of business would be to have the subcommittee report read into the record. Mr. McNeely.

Mr. Phil McNeely (Ottawa-Orléans): I move the subcommittee report:

Your subcommittee met on Thursday, April 14, 2005, to consider the method of proceeding on Bill 164, An Act to rename and amend the Tobacco Control Act, 1994, repeal the Smoking in the Workplace Act and make complementary amendments to other Acts, and recommends the following:

(1) That the committee request authorization from the House leaders to meet on Friday, April 22, and Friday, April 29, 2005, for the purpose of considering this bill.

(2) That the committee hold public hearings in Toronto on April 21 and 28, in Oshawa on April 22 and in Tillsonburg on April 29, 2005.

(3) That the public hearings in Toronto be held from 9 a.m. to 12 noon and 3:30 p.m. to 6 p.m. and the public hearings in Oshawa and Tillsonburg be held from 9 a.m. to 4 p.m. with a break for lunch.

(4) That the committee clerk, with the authorization of the Chair, post information regarding Bill 164 on the Ontario parliamentary channel, the committee's Web site and on Canada NewsWire.

(5) That the committee clerk, with the authorization of the Chair, place an advertisement in the Globe and Mail and the Toronto Star on Tuesday, April 19, 2005, and in the Tillsonburg Independent on Wednesday, April 20, 2005.

(6) That interested people who wish to be considered to make an oral presentation in Toronto or Oshawa contact the committee clerk by 12 noon on Wednesday, April 20, 2005.

(7) That the committee clerk distribute to each of the three parties a list of all the potential witnesses who have requested to appear before the committee in Toronto and Oshawa by 1 p.m. on Wednesday, April 20, 2005.

(8) That if necessary, the members of the subcommittee prioritize the list of requests to appear in Toronto and Oshawa and return it to the committee clerk by 3 p.m. on Wednesday, April 20, 2005.

(9) That interested people who wish to be considered to make an oral presentation in Tillsonburg contact the committee clerk by 12 noon on Tuesday, April 26, 2005.

(10) That if necessary, the members of the subcommittee prioritize the list of requests to appear in Tillsonburg and return it to the committee clerk by 3 p.m. on Tuesday, April 26, 2005.

(11) That if all requests to appear can be scheduled in any location, the committee clerk can proceed to schedule all witnesses and no prioritized list will be required for that location.

(12) That the committee clerk, with the authorization of the Chair, be allowed to schedule witnesses who have made their request to appear after the appropriate deadline, provided there is space available in that location.

(13) That all witnesses be offered 10 minutes for their presentation, and that witnesses be scheduled in 15-minute intervals to allow for questions from committee members, if necessary.

(14) That the deadline for written submissions be Friday, April 29, 2005, at 5 p.m.

(15) That the research officer provide a summary of the presentations by Tuesday, May 3, 2005.

(16) That proposed amendments to Bill 164 be filed with the committee clerk by 5 p.m. on April 29, 2005.

(17) That the committee meet for the purpose of clause-by-clause consideration of Bill 164 on Thursday, May 5, 2005.

(18) That the committee clerk, in consultation with the Chair, be authorized prior to the adoption of the report of the subcommittee to commence making any preliminary arrangements necessary to facilitate the committee's proceedings.

The Chair: I believe number 16 is incorrect and should be, "That proposed amendments to Bill 164 be filed with the committee clerk by 5 p.m. on May 3, 2005." May I have an amendment to that? Mr. McNeely has moved it.

Mr. Toby Barrett (Haldimand-Norfolk-Brant): Seconded.

The Chair: Mr. Barrett seconds the motion. All in favour? Carried.

TOBACCO CONTROL STATUTE LAW
AMENDMENT ACT, 2005

LOI DE 2005 MODIFIANT DES LOIS
EN CE QUI A TRAIT
À LA RÉGLEMENTATION
DE L'USAGE DU TABAC

Consideration of Bill 164, An Act to rename and amend the Tobacco Control Act, 1994, repeal the Smoking in the Workplace Act and make complementary amendments to other Acts / Projet de loi 164, Loi visant à modifier le titre et la teneur de la Loi de 1994 sur la réglementation de l'usage du tabac, à abroger la Loi limitant l'usage du tabac dans les lieux de travail et à apporter des modifications complémentaires à d'autres lois.

TOBACCO FARMERS IN CRISIS

The Chair: Now we will have our first presenters of the morning. Would the Tobacco Farmers in Crisis please come forward? Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our Hansard recording. You may begin.

Mr. Brian Edwards: Thank you, Mr. Chairman and the committee, for inviting us here today. I am Brian Edwards. I'm the president of Tobacco Farmers in Crisis. We have Mark Bannister, our vice-chairman, to my left. To my right is Luc Martial, our consultant.

Tobacco Farmers in Crisis is a non-profit registered organization working for the benefit of tobacco farm families wishing to exit tobacco farming. This organization represents the vast majority of active producers who are currently facing unnecessary and debilitating economic duress as a result of conflicting government policies on tobacco and tobacco control.

Tobacco Farmers in Crisis recognizes the importance of tobacco control and the role that the government is called on to play in this very public and controversial issue. Our members are themselves mothers and fathers, aunts and uncles, sons and daughters, friends and colleagues. While our professional investments may be linked to a controversial product and issue, our personal commitment is nonetheless directed to accountable policies on tobacco control.

We grow tobacco to supply the consumer here in Ontario and in Canada under a very strict guidance of allowed chemical and variety controls. The chemical residues and internal makeup of our tobaccos is well known by the scientific community. Presently, at crop negotiations, multinational companies are planning to import significant other tobaccos from other countries. These other tobaccos may increase the risk to health of the consumer of the product, and the makeup of that smoke is about to change unless governments take more control of the content of the cigarette. Health groups and farmers in the US worked together to try to accomplish

this in the past. With the US buyout of tobacco quotas, all testing of imported leaf and increased protection under the USDA and Food and Drug Administration disappeared.

We are here today to warn of the same possibility happening here in Ontario if these same multinational companies buy out the tobacco quota rights right here, right now. With the World Health Organization Framework Convention on Tobacco Control and Canada's leading role in this becoming international law, we do not understand why we would want to allow or encourage this outsourcing of tobacco. It has been suggested that this is being discussed as we speak here today.

Because of the limited time that we have to present here today, I will turn things over to my colleague, Mr. Luc Martial.

0910

Mr. Luc Martial: Thank you, Brian. Again, I'd also like to thank committee members for providing this opportunity to address you today and to address issues that are very close to my heart personally. I am a tobacco control advocate. I think it's important to also let members know a little bit of my background and why I'm here.

I've been 13 years on the tobacco and health file in Canada. I've worked at the national and international levels. I've worked during that time, perhaps uniquely, with Canada's most successful anti-tobacco groups. I was a policy analyst with the Non-Smokers' Rights Association for many years. I went on to work as a data specialist and communications manager with the Canadian Council on Smoking and Health. I was director of the National Clearinghouse on Tobacco and Health, to which Ontario was a contributor, and still is. I went on to work as executive director of the Canadian Council for Tobacco Control and then spent two years at the federal government in the tobacco control program at Health Canada where, among other things, I coordinated the current or sunsetting \$480 million to tobacco control. I'm very much committed professionally and personally to tobacco control. I think the government of Ontario should be praised for its initiative, for its leadership on tobacco control.

That being said, I would at this time simply suggest caution in certain areas. Over the last three years, after I left Health Canada, I decided to try to get a bigger picture of tobacco control—I'd worked for everybody else—and started involving myself more with legitimate private sector stakeholders, including tobacco producers. Interestingly enough, my vision back then of this bigger picture and the need to actually work co-operatively and productively with tobacco producers I've since found out was really not a precedent in itself. In the United States there was a US president's commission on tobacco that did bring together the health community, government officials and tobacco producers. Over the course of several years they discussed common-ground issues and even recognized that, as odd as it may seem, there was a need for producers and growers to work together in the

tobacco control framework. One of their key findings was that, again, as odd as it may seem, there are inextricable linkages between protecting tobacco farmers in that country and protecting the health of their constituency. I would suggest that the same applies here in Canada.

In terms of tobacco producers themselves, with regard to Bill 164, with regard to Ontario's overall tobacco control strategy, there has never been a more pressing and health-related need for government to start working more productively with tobacco producers. What we're seeing happening right now is not only the province of Ontario but the government of Canada forsaking tobacco production, tobacco producers, in search of or in a rush for what tends to be more popular tobacco control as opposed to accountable tobacco control.

What we're seeing in terms of an emerging threat to the health of Ontarians—and this is why I believe it is important to raise this issue now—is a tremendous shift in the use of foreign tobacco leaf in Canadian-style cigarettes. In terms of how this relates to health, while we can and do have the authority to control Canadian tobacco growers, we have less authority to control foreign producers of tobacco products. More than this, the increased use of foreign tobacco leaf—the fact that we're facilitating, if not encouraging, multinational companies to actually start using foreign tobacco leaf—is in a sense very much undermining Ontario's own tobacco tax policy. So we're actually allowing multinational companies to buy cheaper product and to start overwhelming the marketplace with what they call value brands—much cheaper products. Again, in no way is that good with health.

The issue with regard to protecting health and protecting farmers has much wider public health and social ramifications. Again, by abandoning tobacco producers—when I talk about abandoning, the fact that we do not allow either in Bill 164 or even in Ontario's overall tobacco control strategy any component that would look to work productively with these farmers to ensure that, as long as a market exists in Ontario, we will make sure that farmers that we can control will supply this market speaks to the wider social issues of deforestation in other countries, as well as child labour issues in countries such as Brazil that I believe the government has a duty if not an obligation to look into it at this point.

Again, what I've suggested is really not new. It may be new to Canada, but the precedent has since been set in the United States whereby they've since come to the conclusion—this is a US president's commission that has brought together the most aggressive anti-tobacco groups in the United States, government officials and tobacco producers. They have suggested that there is a need to protect domestic tobacco farmers from foreign markets. Again, I would suggest the same need is present here today.

I would suggest that there has never before been a more pressing or health-related need to start working with tobacco producers toward designing a more comprehensive, equitable and orderly exit strategy for tobacco

production. These farmers recognize that consumption rates are going down and that the government is committed to eradicating tobacco smoking and tobacco production in this country, but it needs to be done in an orderly fashion. Anything short of this will actually undermine everything that we're doing here today.

There has never before been a more pressing or health-related need, until such an exit strategy exists or is put into place, for government to help farmers protect the Canadian marketplace from foreign threat: the use of foreign tobacco leaf and its impact on lowering the retail selling price of tobacco products in Ontario.

The Chair: You have about a minute left in your presentation.

Mr. Martial: OK, then I'll just leave it to potential questions, because I can certainly recognize how it may be new for the committee to hear the concept that it's in keeping with their health strategy to actually start working with producers toward an exit strategy and, until such a time, protecting the marketplace. On that note, I'll leave it to members who may have questions.

The Chair: Thank you. This round of questioning will go to the official opposition.

Mr. Barrett: Thank you for testifying. Just to follow up, you made reference to increasing foreign imports of tobacco into Canada and the lack of government control. This may not be in your area, but we know much of the product is being brought in from tropical countries. Is there any testing of residue with respect to herbicides, insecticides or fungicides on tobacco that I assume is grown in tropical countries, grown in a different way than in Canada?

Mr. Martial: We did meet with a Health Canada official last Friday, Dr. Murray Kaiserman from the Health Canada tobacco control program. He's Canada's foremost authority on tobacco control and the director of the office of research, surveillance and evaluation. From what we got from that initial meeting, foreign tobacco leaf has never been a priority for government to look into, simply because, to a large extent, it's never been brought to the foreground by Canada's anti-tobacco lobby.

The reality is that the numbers are there. When you look currently at what domestic manufacturers are bringing into this country, the calculation's quite simple. You're looking this year at about 20 million pounds. Of the 70 million pounds it takes to produce the Canadian cigarettes that are being sold in this country every year, 20 million pounds of that will be foreign tobacco leaf. What that means is that at a time, perhaps a number of years ago, when the Canadian content in a cigarette was maybe 90% to 95%, this year we could look at a Canadian content of about 70%.

In terms of testing, that's exactly my concern. What I would like to see this committee do is to introduce or make recommendation that even Bill 164, Ontario's own tobacco control strategy, would provide government with the authority to actually undertake this research to find out if it makes a difference if we have foreign tobacco

leaf in Canadian-style cigarettes or not. What's the overall impact on pricing?

We know that Ontario's tax policy on tobacco is meant to lower consumption by keeping the final retail selling price relatively high. What this foreign tobacco leaf is doing is allowing these multinational companies to bring on the market these value brands. Over the last few years, value brands have increasingly taken over the marketplace from premium brands.

Mr. Barrett: You mentioned tax policy, and this is the finance committee. There have been three tobacco tax increases in the last year and a half. In my riding, millions of cigarettes are produced on the Six Nations Reserve. Do they pay any taxes to the Ontario government?

0920

Mr. Martial: Actually, that's very interesting because what we're seeing for the first time in Canada, which we never saw before, is the advent of microproducers. We're in a situation right now—a few years ago we could control the three major multinational companies, because of tobacco tax policy, to a certain extent—where we've actually allowed microproducers to mushroom. When we look at native production, probably the most prominent company is GRE and they currently produce, according to their own brochures, about four billion of the 35 billion cigarettes that will be sold this year. So they're taking over a tremendous marketplace. In terms of control, they do pay some taxes, federal taxes. They don't pay all taxes, of course. They're looking to expand overall in the Canadian marketplace.

My concern again is that as much as government would like to believe it has complete authority over native production, my experience in tobacco control has been that it will be very difficult, once the market shifts increasingly so to native reserves, for the government of Ontario, let alone the government of Canada, to regulate all aspects of tobacco control.

Mr. Barrett: This week, Ontario received a study from Dr. Evans: a \$1-billion cost predicted for this particular legislation, the impact on bar and pub revenue, and 50,000 jobs removed just in bars and pubs; it doesn't include doughnut shops and restaurants; it doesn't cover farm communities. Any estimates on the impact on farm communities, farmers, agribusiness; and secondly, what kind of assistance, what kind of help would people need as a result of government policy taking away this kind of economic revenue?

Mr. Edwards: Since 2001, there have been dramatic crop decreases in tobacco. We did a study in 2002, 2003 and 2004. The average revenue lost for an individual producer, just an average producer, out of his gross cash flow was close to \$150,000. This is on top of burner conversions to protect the consumer from nitrosamines. The average producer spent \$65,000 to put in burners that removed nitrosamines from the tobacco to protect the Canadian consumer. With upcoming crop sizes this year rumoured to be another 10 million pounds less, negotiations have been very difficult with the multi-

nationals. There is no crop agreement in place. People will be putting chemicals in the ground for the upcoming season in two weeks and there is no crop agreement or price available. It's been stated that a major company is looking at a long-term buyout solution and they want this addressed first before the crop size.

The Chair: Time has expired, Mr. Barrett. Thank you for your presentation this morning.

ONTARIO CAMPAIGN FOR ACTION ON TOBACCO

The Chair: I would call on the Ontario Campaign for Action on Tobacco to come forward, please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questions following that. I would ask you to identify yourself for the purposes of Hansard. You may begin.

Mr. Michael Perley: Thank you, Mr. Chairman. My name is Michael Perley. I'm director of the Ontario Campaign for Action on Tobacco. On behalf of the campaign, whose members include the Canadian Cancer Society's Ontario division, the Ontario Medical Association, the Heart and Stroke Foundation of Ontario, the Lung Association and the Non-Smokers' Rights Association, thank you for the opportunity to appear before the committee in support of the government's tobacco control strategy, and Bill 164 in particular.

Since working on behalf of the Ontario Campaign's members to encourage passage of the 1994 Tobacco Control Act, which the present bill amends substantially, my colleagues and I have spent much of the last 10 years working in communities in all parts of the province to support passage of 100% smoke-free workplace and public place bylaws. We've participated in literally hundreds of community meetings and have heard every conceivable argument both for and against smoke-free policies from all sectors of society.

Before commenting on a few of the key themes which emerged during these meetings and which I'm sure you'll hear again this week and next, I want to point out that as a result of these campaigns, today over 90% of the Ontario population is covered by some form of smoke-free public place bylaw. I say "some form" because a few of these bylaws allow for the construction and use of designated smoking rooms, or DSRs, which we're very pleased to see Bill 164 will phase out entirely as of May 31, 2006.

Let me assure the committee that from our experience the government's initiative in making all Ontario workplaces and public places smoke-free as of 2006 will be very welcome in many municipalities. Many bylaws have small exceptions or exemptions, like those for DSRs, which means that there is no level playing field with respect either to worker or public protection from second-hand smoke across the province, nor is there a uniform set of requirements for all proprietors. Many have expressed frustration because they operate under

one bylaw, while their competitors nearby may have tighter or looser rules.

I cannot tell you the number of municipal councillors, hospitality proprietors, members of the general public and health community representatives who have repeatedly called on the provincial government to level the playing field and provide one set of rules for all exposure to second-hand smoke. Bill 164 accomplishes virtually all of this goal with the exception of unroofed patios and hotel and motel rooms, which in fact are a hybrid of residence and workplace.

Another argument that's emerged during the past 10 years is that there are certain groups which somehow deserve exemption or special status under smoke-free rules. The Legion is often mentioned, as are proprietors who have been allowed to construct DSRs. There is no question that our veterans are, and should be, among the most honoured members of our society. There's also no question that today the Canadian Legion is not the club for veterans and their families that it was 20 or 30 years ago. As the Ontario director for the Canadian Legion told CBC radio in an interview a little over two years ago, today, anyone can join the Legion. There's nothing at all wrong with this, but to portray the Legion as deserving special status under smoke-free rules just in order to allow our remaining veterans to be able to smoke does not accurately describe the makeup of the Legion today. That's in terms of not only membership, but in terms of the number of original members who smoke. It also ignores the many objections I've heard from bar and pub owners in various municipalities that to give special status to the Legion in effect benefits their direct competition.

On the matter of DSRs, the tobacco industry and some groups that it is funding have been demanding that existing DSRs be grandfathered under Bill 164 and that wider permission be given to all hospitality proprietors to construct DSRs.

A leading rationale behind the tobacco industry campaign in this regard is the fact that British Columbia allows DSRs under its Workers' Compensation Board rules and that workers cannot spend more than 20% of their shift in such DSRs. The impression is left that this is a wonderful system, widely endorsed in British Columbia, including by the Workers' Compensation Board.

You should be aware that the BC board's panel of administrators wrote a letter to the BC Minister of Labour on January 15, 2002, which it said in part, "The panel concluded that there is no known safe level of exposure to second-hand smoke and that workers in public entertainment facilities are at greater risk of exposure to second-hand smoke." The letter went on to say that "The panel has respectfully concluded that it cannot accede to your direction to repeal BC regulation 58/2001 and replace it with the proposed regulation." The proposed regulation the board referred to, which the minister was advocating, is the current regulation now in force in BC, which allows workers to work in DSRs. As you can see, although it was overruled by the minister, for reasons

having more to do with ideology than science, the WCB itself does not agree with the current rule and to pretend otherwise is to deliberately mislead.

Two more fundamental problems justify the government's plan to phase out DSRs. One is the fact that not all proprietors have either the space or the financial resources to build one. Allowing DSRs thus continues a fundamentally uneven playing field for many proprietors.

An equally significant issue is the results obtained from tests conducted by an engineering firm retained by the region of York on that region's 102 DSRs built between 2001 and 2004. I should mention that this is the only such testing regimen that's been implemented in any municipality which allows DSRs. The region of York passed a smoke-free bylaw which took effect in 2001. Restaurants either had to be 100% smoke-free or build a DSR as of June 2001. The same requirement came into force for York region bars in June 2004. The tests, which began in 2002 and were completed last year, showed that 78% of York's DSRs had failed to meet operating specifications. In a November 2004 report, the region's health services department pointed out that most of the DSRs tested failed to meet bylaw requirements due to poor maintenance, insufficient air supply and exhaust, overcrowding or failure to keep their doors closed.

0930

This is exactly the kind of scenario we could expect across Ontario if DSRs were to continue in operation. We strongly applaud the government for its continuing determination to phase them out.

I would also like to focus on the issue of Bill 164's treatment of retail displays. As the committee will hear, new research, and many of our young people, strongly support eliminating what is the tobacco industry's last remaining direct-to-consumer retail advertising mechanism.

In 2002, the tobacco industry paid retailers across Canada \$77 million for the space to mount these displays in their stores. This amount rose to \$88 million the next year, the same year that tobacco sponsorship advertising was banned. The industry also paid millions more for the materials and construction of physical retail displays.

Again, as the committee will hear, there is no question that our young people perceive these displays as advertising and that they are influenced by them. It is because of this effect on our young people that we were particularly concerned to hear the minister distinguish between what he called "billboards" and what he referred to as "legitimate displays" when he introduced Bill 164 on December 15 of last year.

If we want our young people to get a clear and unequivocal message that tobacco is not a normal product like gum, candy and pop, we cannot have it displayed, stacked or otherwise visible next to these normal consumer products behind every retail counter in thousands of locations across the province.

The key question here is visibility. Bill 164 must make it absolutely clear that tobacco products must not be visible to any consumers except at the moment of pur-

chase at retail and except when the product is actually given to the purchaser.

We will continue to bring this message to the government and to the Ontario public, as will many of our young people. Those who have quit smoking, but who may think about starting again by seeing these displays in their communities, are also an important group to keep in mind and I believe the committee may be hearing from witnesses on that subject as well.

Thank you very much for the opportunity to present. I'd be pleased to answer any questions you might have.

The Chair: Thank you. This round of questioning will go to the NDP.

Ms. Shelley Martel (Nickel Belt): Thanks, Michael, for being here this morning. Let me deal first with the phase-out of the DSRs, which we support. But when I spoke on this bill, I also said very clearly that the government should be considering compensation for bar and restaurant owners who were affected, who, under bylaws that were legitimately in place, spent money in order to establish them and were operating and have been operating legally under the bylaws that are there. There is a precedent for the government to provide compensation. That was done by the former government when it cancelled the spring bear hunt and many tourist operators saw a significant financial loss. What is your view with respect to the government looking at compensation for those who made investments based on bylaws that were in place, which were the law in the municipality at the time?

Mr. Perley: I think in deciding that issue, whether to go in that route or not, you'd have to look at two or three factors. One is that a number of these DSRs—probably the majority—were built in the early years of 2000, 2001 and 2002 to meet the requirements of bylaws in the greater Toronto area. The majority of DSRs are located in Toronto, Peel and York region. We've probably got upwards of 400 in this area. The point there is that they have been built and in operation for several years. There is of course an issue of amortizing the cost of such a construction over a period of time.

I believe from what we know of where these DSRs are located and when they were built, that a large number by the time the bill comes into effect in 2006 will have been able to amortize what in many cases is a relatively modest cost over three, four or five years and, in many cases, will have been able to recoup that cost. That's one issue when evaluating whether compensation is appropriate.

The other issue is, I think we have, as I described from the York region data, a very serious issue here with the way these DSRs are operated. I'm speaking here as somebody who signed an agreement with the Ontario Restaurant Association and the Greater Toronto Hotel Association in 1999 to have a Toronto bylaw come forward which allowed for DSRs. At that time, they were more in theory than in practice, and if we'd known today what we know now, I never would have signed that agreement and we never would have supported that bylaw.

Because of the York region experience and other anecdotal information we have in other municipalities, it's very clear that while a DSR may be built to certain specifications and operate for the first month or two or three appropriately, it's quite clear that proprietors pay little, if any, attention to ongoing maintenance; they leave the doors open. You'll hear more about this at the hearing.

I just don't think that the way most of them have been operated, with complete disregard for proper maintenance and proper operating procedures, really justifies compensation. But if that issue were being considered it should be very carefully evaluated on a technical basis, because I think you'll find, based on the York experience and other anecdotal information, that most of the ones out there in the community don't operate well or aren't built properly. I could name a number I've seen here in Toronto that are not at all built to any proper specifications. I guess no one in Toronto and some of the other municipalities has the resources to do this ongoing testing.

So compensation is fraught with problems and in many cases, because of the amortization issue, I don't think it's warranted. I know we hear figures thrown around of \$250,000 or \$350,000 per DSR. That is very unusual. That's only in certain types of high-end establishments. The average DSR is nowhere near that cost. I believe that many of them will have paid off their costs by now.

Ms. Martel: I can see that if some were started in 2001. Hamilton's bylaw was much later; I think it's dated to 2008. So you've got proprietors who made decisions just in the last year or two, when that bylaw was passed, who are much more likely to have costs that are still outstanding than costs that have truly been covered.

Mr. Perley: That's possible in Hamilton, yes. Burlington's sunset date for DSRs built into its bylaw was 2006, which coincides with the government's plan. Hamilton's is 2008. Peel region has set a date of 2010. Toronto Board of Health has said that if the province doesn't set them, Toronto council will do it.

There's a large momentum toward recognizing that these were not a good idea in the first place. I recognize the issue you're raising, but I think the consensus I've heard from municipal councillors is, "Let's just level the playing field and get rid of them."

The Chair: Thank you for your presentation this morning.

I'll call on Shoeless Joe's Restaurants. Are they present?

TRACY MILLER

The Chair: Tracy Miller, please come forward.

Ms. Tracy Miller: I'm really nervous. I'm not used to doing this kind of thing.

The Chair: Good morning. You have 10 minutes for your presentation. There may be up to five minutes of

questioning following that. I would ask you to identify yourself for our recording.

Ms. Miller: My name is Tracy Miller. I'm a health care aide who works at a long-term-care facility. I want to speak to you about how important it is for Bill 164 to be passed.

This is a letter about my personal experience working in a long-term-care facility that allowed a smoking room. My experience was not a good one, needless to say.

First, I would like to explain about residents who reside in these facilities. More and more, we are admitting residents who are in very fragile states of health. Most of them need total assistance in all aspects of daily life. One example is total hygiene care. This includes washing and dressing in the a.m. as well as in the p.m. Most need total or some assistance with eating and drinking. Many cannot walk on their own and need wheelchairs or walkers. Many are confused as to time and place and have poor judgment when it comes to their own safety. All of this is due to progression of the disease process.

The reason I am getting into this aspect of long-term-care facilities is because many of the public still see these places as retirement homes. This is no longer the case. Our residents need constant supervision in regard to all aspects of daily life. More and more, we are becoming like mini-hospitals, providing many of the same services given at hospitals; for example, oxygen, G-tube feeds, IV and so on.

Our smoking room is supposedly well ventilated, and we offer smoke passes 11 times a day, basically every hour from 9 to 9, leaving out one hour for lunch and one at supper. After 9 p.m., there are no more smoke passes allowed. This duty is carried out by personal support workers at designated times. They take turns. We have upwards to about seven smokers who use this room. The door has to remain closed at all times. This is a ministry requirement. There is a window in the door of this room so you can stand outside the door while supervising the smoke pass, but you must go in to light the cigarettes for the residents and also to put them out when they are finished. You may also be in and out of this room several times while they are smoking, as some of the residents—probably all of them—are regarded as unsafe smokers. This means they may wander around the room while they are smoking, putting the other residents at risk for a burn, they may drop the cigarette, again putting everyone at risk for injury including themselves. We run into problems when they don't remember to butt out the cigarette when they are finished smoking it and they burn their fingers if you aren't in the room to remind them. So this means the staff member is inside the room more than they are outside looking in.

0940

This room may be ventilated, but there is still a haze that hangs over the room while they are smoking in there. When you are finished with the smoke pass, you smell like you have been smoking too. Your eyes burn, you are

totally congested nasally, and sometimes you get a terrible headache, especially if you're a non-smoker.

I personally ran into problems with this duty, as I am an asthmatic and have never smoked a day in my life. I am on a lot of medication to control it. Out of concern for my health, I went to my doctor. He couldn't believe I was performing this duty and immediately instructed me to refuse this duty because of my health. He also wrote me a note stating that due to my health problems I was not to perform this duty. When I presented my note to my supervisor, I was sent home without pay. They made a deal with me to put a window on the door so we could supervise from the hallway, and added a new ventilation system. This was how the room was renovated, which I talked about above. This made very little difference and I was told to try it again.

Well, to make a long story short, I ended up at the emergency room with a severe asthma attack that left me off work for about 10 days, all directly related to the smoking room. WSIB covered my claim and instructed my facility to never allow me to perform this duty again at risk of a fine. My claim was accepted and never questioned.

Now I have to listen to my co-workers complain about going into that disgusting, dirty room and be exposed to second-hand smoke that may make them sick. Even the staff that smoke don't want to go into that room. We all know the hazards that exist from second-hand smoke, and I don't think anyone should have to be exposed to these hazards, especially in the workplace. Many of my co-workers have not spoken out about this situation for fear of losing their jobs or being harassed by their supervisors. Many of them are single mothers and need their jobs and are under enough stress as it is. This is a very sad state of affairs, and in this day and age, knowing the health hazards from second-hand smoke, I don't understand why something is not being done to protect the health care workers in this situation. Isn't it ironic that these workers are in a health care facility and are not being protected from a health hazard?

I want to end this letter by drawing your attention back to the start of my letter. Most of these residents who smoke are unsafe, which is why they have to be monitored closely. In fact, 90% of them don't remember having had a cigarette five minutes after smoking it. We are expected to go and get them for the smoke passes because they won't remember to come at the set times that are being given out. I can promise you that if the smoke passes weren't there, 90% of our residents would forget about them within a few days.

I hope this gives you a picture of what it is like for us working within this system and how worried we are for our own health after being exposed to this in our workplace. Thank you.

The Chair: This round of questioning will go to the government.

Mr. Peter Fonseca (Mississauga East): Tracy, thank you for coming here today and presenting your story and your experiences in a long-term-care home. In this piece

of legislation, the Ontario smoke-free act, we have made sure that employees will not have to experience what you have experienced. No employee shall have to go into that room, work in that room, have anything to do with that room—when I say “room,” the controlled smoking room that would be available—in long-term-care homes that so desire to have one.

I have travelled around the province and I was up in Sudbury, and in all their long-term-care homes in that area, none have a controlled smoking room. So that’s not an issue there.

In regard to the residents of the home, residents would have to go into that controlled smoking room on their own, if they desire to smoke, light that cigarette on their own and do everything on their own without assistance from staff in the long-term-care home. That would address many of the concerns and issues that you just brought up.

Ms. Miller: Yes, that would very much improve it.

Mr. Fonseca: And that is all within this legislation. This legislation is about protecting Ontarians from the harmful effects of second-hand smoke, and we want to make sure that all Ontarians are protected.

Ms. Miller: It’s been a long time coming, but I’m glad to see it coming.

Mr. Fonseca: Thank you very much for your deposition.

The Chair: No further questions?

Thank you very much for your presentation.

Has Shoeless Joe’s Restaurants arrived? No. Spirits Bar and Grill? Ontario Association of Naturopathic Doctors?

We will recess until one of our next presenters appears. We are ahead of schedule. I would ask committee members to stand by the room.

The committee recessed from 0945 to 0954.

SHOELESS JOE’S RESTAURANTS

The Chair: The standing committee on finance and economic affairs will come to order once again. I call on Shoeless Joe’s Restaurants. It appears that you’re ready to roll. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Andy Elder: Thank you for the opportunity to sit before you today to explain our position on the Smoke-Free Ontario Act. My name is Andy Elder. I am the senior vice-president of Shoeless Joe’s Ltd. For the record, as a Toronto resident, married with two kids, I love the fact that I can dine everywhere in the city of Toronto today with my family in a smoke-free environment. We as a company support smoke-free and share the long-term vision of that goal.

Shoeless Joe’s Ltd. is the franchisor of 35 sports-themed restaurants and bars all situated in southern Ontario, concentrated heavily around the greater Toronto area. You’ll find Shoeless Joe’s locations in regions and

cities such as Toronto, York, Peel, Durham, Barrie and Peterborough. Proudly, we are celebrating our 20th anniversary of business in 2005.

I did not come here today to talk to you in detail about the problems we have faced as a company under the patchwork quilt of varying municipal bylaws across the province. Some of the municipalities began to change those bylaws shortly after enacting them. As some municipalities joined the smoking bylaw game, they came in with stricter rules, much to the chagrin and frustration of the municipalities that took a lead position. One of our friendly competitors called it bylaw envy. One of the councillors we dealt with called it bylaw embarrassment. It has been like a shell game, until now. We welcome a provincial standard. It will be a very positive step in eliminating the patchwork quilt of municipal bylaws we currently trade under.

We have 15 designated smoking rooms built in our system. None of them—not one of them—was built on June 1, 2001, when the opportunity to build a DSR came into play. They were all built in a reactionary manner in response to declining sales. As a dual smoking family restaurant/sports bar, the bylaw that came into play on June 1, 2001, forced us to fragment our businesses. Our franchisees suffered tremendously and many felt no alternative, after trying to ride through the smoke-free wave, but to build a designated smoking room. After they were constructed, they quickly realized that it was a win-win situation: They were providing smoke-free dining, they were providing a smoking area for their smoking patrons, and everyone was given a choice.

The average cost of such a conversion was \$55,000. In our most extreme case—and I am not an extreme person, but I’m just going to share with you the most extreme case—one of our franchisees in Scarborough annexed the premises next to them, so they took on an extra \$4,000 in monthly rent and spent just over \$100,000 in constructing a designated smoking room. All of this was done in full compliance with the municipal bylaw that they were trading under.

Environmental tobacco smoke is effectively being eliminated by—and I emphasize—a compliant DSR. Ventilation works. Some 75% or more of the public space and 75% of the seating is smoke-free; 25% or less is separately ventilated for those who choose to smoke.

What is the next step? I understand the province’s intention and desire to be smoke-free, but we ask and urge you to please consider all of the designated smoking rooms that have been built in the province to be compliant with the municipal bylaws that exist today. There are still DSRs being built today. At this time, as they are being built, they are not under any kind of bylaw that says there is a cessation date or a sunset date, as some people like to refer them. Municipalities are still issuing DSR permits today. I’m looking at some surprised faces. Anyway, I’ll answer any questions.

1000

As a next step, I urge the province to allow operators with compliant—and I will continue to emphasize the

word “compliant”—designated smoking rooms that do effectively eliminate environmental tobacco smoke or second-hand smoke.

I can't see a reason why we need to set a date today on when those would expire. I understand the accountability the province has to a commitment. If a date is necessary, I think 2010 seems to be reasonable. Just so you know, that is an existing sunset date that has been put into place in a reactionary manner by the city of Mississauga.

That's my case. Again, compliance is so, so important.

Just as a personal sidebar here, I attended a big-box restaurant, one of the major chains in Canada, visited one of their locations and they have a designated smoking room. It was not one of ours. I walked into the premises last week and was disgusted that the ventilation was not removing the environmental tobacco smoke. You could cut it with a knife. That meant that the ventilation was not turned on, that enforcement was not in place.

As legitimate DSR operators—and I'm not speaking about 15; I'm speaking about any large number, up to the over 700 DSRs in the province—compliance and enforcement are the two major stumbling blocks that seem to be hitting people. They act almost as a barrier to the acceptance of a designated smoking room. I urge stronger enforcement and stronger tactics to shut down those DSRs that are giving the good ones a bad name, because ventilation truly works.

The province of British Columbia, under the guise of the Workers' Compensation Board, a provincial body to protect workers, adopted a ventilation solution for the province. The Workers' Compensation Board in British Columbia adopted ventilation as a solution to protect the workers from environmental tobacco smoke.

In conclusion, I thank you again for your time. I'd be glad to answer any questions you might have.

The Chair: This round of questioning will go to the official opposition.

Mr. Barrett: Thank you for the testimony. You indicate that right up to the present, municipalities are still issuing, I guess these would be building permits, for establishments to construct designated smoking rooms and install the ventilation system.

We heard a comment—I guess it was Mr. Perley who recently identified some of the designated rooms that maybe aren't being supervised appropriately. You feel there should be more government control of these facilities. Mr. Perley made mention of a door being left open. I understand the ventilation system obviously takes the air out of the room, takes the air from the non-smoking area, through the designated smoking room and out. I hear talk of a negative air pressure. Could you comment on that?

Mr. Elder: Mr. Barrett, I'm not going to sit here before you pretending to be a ventilation expert, but the rate at which the air is to be ventilated from a smoking room should not require windows or doors at all. In fact, the standard in British Columbia does not require doors and windows. I really feel that that is just for cosmetics. When you open the door into a designated smoking

room, the air should be flowing from the smoke-free area into the smoking area, and not the reverse. Again, if it is compliant and if it is being maintained properly, the airflow should be flowing into the designated smoking room and not out. Effectively, there should not be any particulates of environmental tobacco smoke in the air in the non-smoking area.

Mr. Barrett: You indicate that small business operators have operated in good faith to comply with their municipality or with customers, some who choose to smoke and some who do not want to smoke. Now through this legislation, the Ontario government will be telling them that their investment is worthless. You gave some figures, \$50,000 to \$100,000. I'm aware of one up to \$300,000 to construct a very large designated smoking room. The NDP made mention of the government cancelling the spring bear hunt. There was compensation for the outfitters in the north. Any idea what kind of help the industry would need, what kind of compensation?

Mr. Elder: It's very difficult to quantify, and there are so many variables that come into play. I would say again that these DSRs are still being built today, but most of ours were built in the 2002-and-on period, again, with no mention of a sunset date. Effectively, when the Premier ran for office in 2003, he said within three years. So anybody building a designated smoking room today is really, truly doing so knowing that there could be a 2006 sunset date. I would say that the rate of them opening right now is very low, based on and pending what the final decision will be. I would say that anywhere from six to eight years would be a reasonable time. Again, there are so many variables and there's no clear formula on how to do it.

But again, it's 25% of your space. A separate occupancy level is set. If your whole premises is licensed for 200, then the maximum occupancy in your DSR is 50. It's not like you can put 200 people in there. There really is truly a limit or an upside to how much gain you can possibly get.

Mr. Barrett: You mentioned that British Columbia initially brought in legislation somewhat similar to the McGuinty bill we're debating here and then within a matter of months reversed that decision and did allow designated smoking rooms on the understanding that, first of all, there's ventilation and there is no second-hand smoke there. Obviously people are not exposed to second-hand smoke in a room like that.

Mr. Elder: Right. I couldn't emphasize more how important enforcement and compliance are. Out of 700-plus, there is a percentage of them out there that are not being maintained properly and are giving the ones that are collectively a bad name.

Studies have been done on ventilation. I'm a non-smoker. I am not pro-smoking; I am pro-business. We want to be in business and we want to cater to our guests. Twenty-five per cent or whatever of the adult population smokes, and I can tell you that in smoke-free they are not going out as much. There are other businesses out there recognizing that. Taking home meal replacements from

grocery stores is on the rise. Packaged beer from the beer store is on the rise, whereas draft is on the decline. People are not dining out, or they're going out and spending less money. It's quite dramatic.

The Chair: Our time has expired. Thank you for your presentation this morning.

Spirits Bar and Grill, are they present? The Ontario Association of Naturopathic Doctors?

The committee will recess until 10:45. I'd ask committee members to be back promptly.

The committee recessed from 1008 to 1045.

The Chair: The standing committee on finance and economic affairs will come to order once again.

SPIRITS BAR AND GRILL

The Chair: I would call on Spirits Bar and Grill to come forward, please.

Ms. Heli Donaldson: Where do we sit or stand?

The Chair: Anywhere at all.

Ms. Donaldson: Anywhere? They're all on? OK, great. Thanks.

The Chair: Yes. We have a gentleman in the corner who controls the microphones.

Ms. Donaldson: OK. You're in charge?

The Chair: He does a very fine job.

Ms. Donaldson: Good. This is my first time—a little different from slinging beer behind a bar.

The Chair: If I might, I'm compelled to tell you that you have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I'd ask you to identify yourself for the purposes of our recording Hansard. Now you may begin.

Ms. Donaldson: I'll just introduce myself. My name's Heli Donaldson. I own and operate Spirits Bar and Grill, 642 Church Street, just at Church and Bloor. It's a family-run business. We've had it for about 19 years. Is that good? Great pizza—967-0001.

I should really start off by saying the reason why I'm here is I'm extremely frustrated and bewildered by how this has been coming around.

First of all, Michael Perley, head of OCAT, who I understand spoke earlier, is essentially paid by taxpayers' dollars and his activities are tax-funded. He actively supported DSRs in 1999, not to mention that our city council had almost a unanimous vote in favour of the city of Toronto bylaw that allowed the use of DSRs. Oh, how the wind blows. What does this say for the consistency, honesty and integrity of our politicians? A deal's a deal.

I wrote a letter actually to just explain our company's position. I sent this off to a newspaper, and I thought it would be appropriate if I read it. I think it represents our and hundreds of other owners' position.

The Ontario Legislature is once more proceeding with undue arrogance to establish a law to restrict smoking almost everywhere without investigating the studies and scientific reports that are available from independent sources. Other provinces, namely, British Columbia, Quebec, Nova Scotia and Prince Edward Island, have

absolutely investigated the scientific data available and introduced legislation that addresses the requirements of protecting non-smokers from exposure to second-hand smoke, while giving the operators in the hospitality business an opportunity to serve smoking customers.

This compromise is possible by implementing DSRs which are constructed and engineered to very stringent requirements. Filtered fresh air is introduced into DSRs and then exhausted out of the building. A negative pressure is created by the exhaust air exceeding the quantity of supply air, thus preventing any air migrating into non-smoking areas.

British Columbia offers the ideal model for implementing and enforcing DSR regulations, with the hospitality industry working closely with the province's Workers' Compensation Board. Hospitality establishments are one of the most inspected businesses in Ontario by the Ministry of Labour, the Alcohol and Gaming Commission and local health departments. No new systems are required or necessary to monitor the operation of DSRs.

At present, there are thousands of DSRs in Canada and more than 700 in Ontario. The cost of engineering and constructing a DSR is very substantial. They were built to comply with existing local bylaws. Is it fair that a provincial law can now overrule a local bylaw without compensating the hundreds of individual operators? Is it fair to unnecessarily jeopardize our hospitality and tourism business?

Hopefully, the Ontario Legislature will compromise and amend Bill 164 to help a struggling industry and portray its political ideals to safeguard the liberty of freedom of choice and tolerance. That's it. Any questions?

1050

The Chair: This round of questioning will go to the NDP.

Ms. Martel: Thank you, Ms. Donaldson, for being here this morning. Let me in fairness put our position on the record: I'm a New Democrat and I spoke about this bill on behalf of our party and I spoke in favour of it. So that I don't mislead you, I made it clear that I support the provincial law because I think it has been ridiculous for municipalities and, frankly, business owners, to operate under a patchwork of different laws that are different from municipality to municipality. I also support ending the DSRs. What I did say is that we should recognize that in doing that, there is a cost. This change is not going to come without a cost to either business owners or, frankly, small convenience stores, and we should recognize that and deal with that.

In my remarks, I said very clearly that the government should look at a compensation package for those business owners, those restaurant and bar owners, who, operating under legitimate existing bylaws, established DSRs at the time because that was the bylaw that was in place. The previous government set a precedent for providing compensation when a provincial law or a provincial regulation affected owners. It was the case in the cancellation of the spring bear hunt. I remember that tourist operators

in my part of the world were affected by that, and we have suggested the government look at that as well. That's our position. I wanted to make it clear to you where we're coming from.

Ms. Donaldson: I'm not that clear. So you're supporting abolishing DSRs?

Ms. Martel: Yes, and I want to make that clear. What I have said, though, is that for those owners who established DSRs under the bylaws that were in place and made an investment and who are now facing a sunset clause, the government should look at some form of compensation for those. I think it would be unrealistic for us to say that there isn't a cost to people; there is, and there's going to be, and we should recognize that and we should deal fairly with that. I'm not sure what your own circumstance is. I'm assuming you have a DSR, but I'm not sure.

Ms. Donaldson: Yes, we do.

Ms. Martel: Can you give the committee some idea of what that cost was to you?

Ms. Donaldson: It was a fortune. The city said, "If you build a DSR by June 2004, we're going to grandfather it." So we said, "Absolutely." We built it. For the restaurant business, I think the ballpark is five to 12 cents on the dollar, not a lot of margin in the restaurant industry. So we took out a loan. It was \$100,000, and that's not money that we had in our pocket. So I've got a loan now with my bank because of it, but we just thought this was the right thing to do.

If you were to look at an equation, which would be kind of interesting, if you were to divide it, it allows 29 smokers. That means that per customer, we spent \$3,300, and yes, it's been stamped by the health board, the city; it's a kosher DSR, it works. If you were to divide that cost by the 320 square feet that it's located in, it cost us about \$300 a square foot.

Compensation is really not what I'm looking for. I know they're trying to extend it to 2010. There's absolutely no way we're going to get our money back by 2006; they're in la-la land. I just find it incredibly Orwellian. I've just stated that four other provinces—what is it? British Columbia, Quebec, Nova Scotia and PEI—can handle this and allow DSRs, and for some reason, Ontario doesn't. I just find Ontario—don't get me fired up about AGCO and all the other—it's just very Orwellian. Yes, for me, being compensated is the latter. But I'm still very for "a deal is a deal." You have about 700 operators who have built designated smoking rooms, and we did what you said, and now you're renegeing on a deal.

I respect government. I respect when people say something. I go to my city councillor. I went to the mayor at the time. They said, "Absolutely. Do it, do it, do it," and they turn around. Once again, a deal is a deal. Compensated? Yes, absolutely. There will be a class action suit if not. How can 700 businesses afford something like this? It's crazy.

I myself was out a week ago. I went to one restaurant and two bars. None of them had DSRs, and people were smoking in them because it's been very lax. Nothing

against the health board, but they're not monitoring it as much. They only have 12 inspectors for—what?—7,000 establishments in downtown Toronto? It's nuts. And I'm not going to sit here and tell on people. People think, "Oh, you're benefiting now." Walk around, go into clubs, go into restaurants, go into bars that have not built DSRs and there is smoking going on. So I don't know.

Anyhow, sorry, I'm on a rant. I went on a good long run this morning, so I'm fired up. And I'm a huge non-smoker, but I respect the rights of people who choose to smoke. They're my life. They're my bread and butter. That's it?

The Chair: Thank you.

Ms. Donaldson: Thanks very much. Thanks for your time.

ONTARIO ASSOCIATION OF NATUROPATHIC DOCTORS

The Chair: I would now call on the Ontario Association of Naturopathic Doctors to come forward, please. Good morning.

Ms. Margaret Anne McHugh: Good morning.

The Chair: You have 10 minutes for your presentation. There may be up to five minutes of questioning after that. I would ask you to identify yourself for our recording Hansard. You may begin.

Ms. McHugh: I'm Margaret Anne McHugh. I'm the executive director of the Ontario Association of Naturopathic Doctors. We would have had a naturopathic doctor here this morning actually to speak to you, who could be more compelling in terms of the patients they see and the things that they do, but we were added at the last minute to the list, so I was the only person available on short notice. But I thank you very much for the opportunity to be here.

We are extremely supportive of Bill 164 and the government's overall tobacco strategy. I just can't tell you how much we want to see this bill go through, which will help people stop smoking and protect our children and, importantly, create that next generation 20 years from now where we won't be seeing people who are suffering from the incredible ravages of smoking and second-hand smoke, and to remove that very powerful message to children that smoking is just a normal consumer product; tobacco is not. I believe as adults and as health care providers we certainly feel a responsibility to the next generation to remove those normalizing standards and those walls creating that message that it's a normal thing.

Smoke-free public places are important to this goal, as well as removing the power walls. In fact, we really wonder if getting rid of tobacco use will ever be possible as long as cigarettes are still sold everywhere. So in fact we would support reducing even more where they can be sold.

I know that probably there is no one in the room, there is hardly anyone in the province, who has not had a colleague, a loved one, a family member suffer from the ravages of tobacco use. I myself can become quite

moving—I'll try and restrain myself—because I watched my own father basically drown in his own body. But I imagine you will hear quite a bit of that, so I will try to take as little of your time as possible.

As I said, it is personal for me—I'd like to see a tobacco-free society—but I'm here today to represent the Ontario Association of Naturopathic Doctors. While the NDs are always ready to treat the illnesses caused by smoking, we want to remind the committee of the real reason for deliberations today: this great work of creating a smoke-free generation that we won't have to treat 20 years from now.

Naturopathic medicine is really based on a view of prevention and certainly treating the cause. And, in this case, getting rid of smoking is treating the cause and eliminating those things in the population. The members of our association, the naturopathic doctors of Ontario, see people who have never smoked and yet suffer from the diseases of smoking.

One of the interesting things about a naturopathic medicine approach is that it uses some principles of Chinese medicine. In Western medicine generally, the skin is seen as the first line of defence in terms of keeping things out of your body, but in Chinese medicine, it's the lungs. So if you do anything to interfere with your lungs' ability to keep those toxins and things out of your body, you reduce the body's ability to heal itself.

Naturopathic medicine, as I said, is based on a kind of vitalism, on trying to initiate the body's own ability to heal. Tobacco, and even second-hand smoke, knocks out those supports; reduces the ability of the cilia to expel foreign matter; destroys antioxidants, like vitamin C, that help the body heal, especially wound healing and other kinds of preventive things in the body. For those reasons, second-hand smoke always contributes to illness, and our members see it too often, and they very much want to see tobacco de-normalized and eliminated.

1100

I didn't bring a lot of statistics and data with me today. I know there's lots of it in terms of health care costs. I think in terms of the economics of tobacco, you'll need to balance any loss of business with the extreme cost to the health care system that we could reduce and that all taxpayers are paying for. I want to leave that detail to others and just ask you to really add to your resolve to pass this legislation.

I have some really compelling stories. One is about a couple of sisters who were both teachers—the Wilson sisters. I don't know either of their first names because we just call them the Misses Wilson. The older sister always smoked and the younger sister never smoked. I found it interesting that, even today, when her sister, who had never smoked, got lung cancer and died, the older Miss Wilson gave it as an example, and continues to give it as an example, of how smoking doesn't really cause lung cancer, because her sister, who never smoked—she lived with her, so she was getting the second-hand smoke and died.

I collected a lot of stories from naturopathic doctors last night and this morning. I don't think I will take your

time to tell them to you. I'm sure you've heard them ad nauseam. I just wanted to strongly ask you to support the bill. I think people, and children especially, still have not got the message. My own grandson, who is four years old, mimics his other grandmother, who is the only smoker he has around. She is one smoker, out of all these hundreds of people he knows, and yet he will sometimes pretend to be smoking, and he's four next week. So we have to denormalize it, because it's normalized for him even though he lives in a mostly non-smoking world.

I thank you.

The Chair: Thank you for your presentation. This round of questioning will go to the government.

Mr. Fonseca: Margaret, thank you so much for your deposition to this committee today and for the great work you do in the Ontario Association of Naturopathic Doctors.

As we're hearing the different stories, we do know the statistics. We know it's the number one preventable cause of death in Ontario: 16,000 people dying of tobacco-related illness every year. The economic costs have been estimated to be anywhere from \$3 billion up to \$5 billion to the province of Ontario. The real costs are in terms of life. We're losing 44 people a day due to tobacco-related illness.

Your association does great work. One of our key pillars has been around prevention and making sure that those who have not started to smoke don't start smoking, especially our youth, but everybody here in Ontario.

I know you're talking within naturopathic. Much of your core delivery of health care comes, you were saying, from the lungs. How do you deliver some of your preventive messaging and what are some of the different tools you use to help stop somebody from starting smoking and also, for those who have started, to help them stop?

Ms. McHugh: Because I'm not a clinician and I'm not a naturopathic doctor—I can answer the question, but I think it's limited because I'm not actually skilled in offering clinical services myself.

Naturopathic doctors work closely with people who, for the most part, are committed at least to make small changes that make big differences, and some people are committed to large changes. So we're kind of lucky in one way, in that the people who choose to take a naturopathic approach have already made a commitment to want to do something. Primarily, they are people who want to quit smoking. Although there was a big debate in the association among members at one point about how much they wanted to spend time on smokers, they do see smokers and can help people quit. Acupuncture is extremely effective in helping people get over the cravings, and botanicals, for instance, fill the receptor that nicotine fills. So people can get help with the cravings from acupuncture and certain kinds of botanical or herbal medicines.

In terms of helping people quit, we're always working at it. We've worked with public health units, hospitals and other organizations to provide quit-smoking pro-

grams. A number of our members do it at no cost, or very low cost, and have a very high success rate with it, because it includes counselling but also supports for the craving and bringing people together in groups, which tends to help them when they're quitting.

In terms of prevention, I think preventing people from smoking in the first place, and children from smoking and taking up smoking, is the idea that your body is in balance, and you need as much as possible to keep that kind of homeostasis, that balance that the body has. All the things you do increase your toxic load, which we're all experiencing all the time because of ambient pollution basically, particularly if you're living in southern Ontario, and even the way that our foods are treated. Although there are allowable levels of pesticides, those things are still building up all the time in our bodies. So in general, there's an approach taken with people that they should reduce all of those loads, and I think when people do that work, they start to feel the bigger effect that tobacco has on their body, and have more interest in getting rid of it.

The Chair: Thank you for your presentation this morning.

KINGSTON, FRONTENAC AND LENNOX & ADDINGTON PUBLIC HEALTH

The Chair: I would ask Kingston, Frontenac and Lennox & Addington Public Health to come forward, please. Good morning.

Dr. Ian Gemmill: Good morning.

The Chair: You have 10 minutes for your presentation. There may be up to five minutes for questioning following that, and I would ask you to identify yourself for the purposes of our recording Hansard.

Dr. Gemmill: My name is Ian Gemmill. I am the medical officer of health for the Kingston, Frontenac and Lennox & Addington Public Health. I really want to thank you for the chance to talk to you today about probably the most important piece of health legislation that has been introduced in Ontario during my 23 years as a public health official. We spend a lot of time talking about treatment and the cost of treatment, but here's one very good example of how we can make huge advances in the health of Ontarians by passing this legislation that is highly preventive in nature.

The Ontario Legislature has the opportunity to act decisively to protect all Ontarians from second-hand smoke with the passage of Bill 164, and, by the way, I've done a handout for you, so you don't need to take notes.

It's time to ensure that all Ontarians have the same protection against second-hand smoke enjoyed by people in more than 250 communities in this province that have smoke-free public place bylaw protection. It's also time for Ontario to create a level playing field across the province for businesses.

I have some details there about the statistics on tobacco, but I think that you folks know this: the 16,000 deaths a year, the half a million hospital beds per year

devoted to looking after people with tobacco-related illnesses and the \$1.7 billion in health care costs that tobacco costs us. These are not in doubt; this is scientific knowledge.

These hearings are taking place on the eve of the second anniversary of Kingston's successful smoke-free bylaw. For almost two years now, both residents and visitors to Kingston have had the protection of a strong smoke-free bylaw, which has included two seasons of smoke-free patios. We presented over 16 pounds of documentation and solid scientific research papers outlining the benefits of smoke-free public places and the neutrality of its effect on the hospitality industry to our city council to aid them in their bylaw deliberations, along with public opinion surveys in which more than 80% supported having smoke-free public places.

For the most part, this bylaw has been a tremendous success, with very few infractions, complaints or even legal activity. It has simply become for us a community standard. Our community has been extremely positive about being smoke-free and people still actually, when I meet them, thank me and my team for being perseverant and making this bylaw come to fruition in our community.

Most importantly, both the public and employees are better protected from the dangers of second-hand smoke. Both businesses and governments have a responsibility to establish health and safety policies on their property and in their communities, including smoke-free policies. These policies should reflect societal norms, sending a message to our youth that smoking is not the norm, and when I talk about denormalization later on, that's what I'm talking about.

We applaud both Minister Smitherman and the government for introducing this bill and all the MPPs who are supporting it.

First, a bit about patios. Over a dozen other communities in Ontario have joined Kingston in requiring smoke-free patios. Recently, other Canadian cities, in particular four in Alberta—Banff, Jasper, Calgary and Edmonton—have made patios smoke-free.

It's really important to understand why our council did this. During the consultation process in 2002, hundreds of people did delegations, and many business owners waited up to two hours just to give them one message, and that message was, "Please make the bylaw fair and equal; no special arrangements for some businesses and not for others; no exceptions." This is because some businesses have the opportunity to have big patio spaces and others don't. Leaving out patios in our bylaw would have put the latter at a great disadvantage. So they actually asked for it.

1110

There are health effects. Mind you, of course, because smoke is diluted when it's in the outside air, it's less concentrated. Nonetheless, experts in the field of second-hand smoke maintain that there is still an increased health risk, especially for those people who spend all their time in these situations, i.e., the people who work there, the

waiters and the waitresses. These health consequences for employees can't be ignored.

Finally—and it's very important to understand this point—the definition of “patio” has caused confusion all across the province. Other jurisdictions that do not have patios designated as 100% smoke-free have seen these outdoor rooms pop up. If you've ever been to Ottawa, you have seen some of these places in pubs. They have flimsy roofs, flimsy walls and, in the winter, actually have heaters. So they actually become a designated smoking room. This practice goes against the original intent of the bylaws and creates an unlevel playing field again for businesses. The interpretation is much clearer when patios are designated as 100% smoke-free. Leaving them out is a pitfall that I strongly advise you to avoid. It will cause you no end of problems.

A word about designated smoking rooms: They are fundamentally unfair, as only larger premises with sufficient floor space and funding can afford to build them, making this again an unlevel playing field for other restaurants and, of course, leading to the detrimental health effects of the employees who are required to work in them.

Some people argue that ventilation works, and I would argue to the contrary that it does not. It is not an answer to preventing second-hand smoke exposure. There is no safe level of exposure to second-hand smoke. One researcher, Dr. Jim Repace in the US, estimated that there's no ventilation system in the world that can truly clear tobacco smoke from an enclosed space, no matter how strong or modern it is. So don't fall for that argument.

Saying that employees don't have to enter DSRs does not protect the employees who have to go in there for security purposes, those who have to do housekeeping. Nor does it protect the employee whose boss just asks them to go in, even though it's technically against the spirit of the law. It does not exclude community volunteers from feeling obliged to provide service during charity events. This is an issue that we've seen in Kingston in some of the bingos, where the volunteers just feel it's their duty to provide the service, and they go in to the detriment of their health. Ironically, these actually are young athletes and their parents primarily.

Finally—and I think this is an important point for you to understand—the administrative bureaucracy required to provide approvals, review the plans and oversee the operation of a DSR regime across Ontario would cost the government literally millions of dollars. Again, I advise you to avoid this costly pitfall.

A quick word about long-term-care facilities and DSRs: Rulings by the WSIB and the Ontario fire marshal's office regarding long-term care facilities with a DSR have left them in a liability dilemma. Do they provide a specified place for their residents to smoke, to the detriment of the health of their health care staff? Since 1994, when the Tobacco Control Act permitted long-term-care facilities to have DSRs, some facilities have already phased them out without incident, thus providing a healthier environment for residents, families, visitors

and the staff. We recommend this approach of phasing out.

Bill 164 will help to keep youth from starting smoking. I can't emphasize this point enough. Nine out of 10 people who begin to smoke do so before the age of 20. If we can stop youth from starting smoking, they will probably not smoke during their lives. So preventing the initiation of smoking behaviour in youth is critical to the success of preventing the next generation of smokers.

Progress in reducing youth smoking is now being seen. The prevalence of smoking among Ontario youth aged 15 to 19 is now at 14%, with the current kids smoking about 12.5 cigarettes a day, down from 19% in 2002. We need to sustain this trend, and Bill 164 will make a difference.

We need to build on the tax increases that have already been initiated. We know, due to recent research, that where there are strict controls on smoking there is a positive effect on reducing youth smoking rates. Therefore, Bill 164 needs to be kept in its current form or even enhanced.

I want to talk about point-of-sale promotions and power walls that we believe should be in the bill. For Bill 164 to be effective in preventing tobacco use among youth, there must be a complete ban on point-of-sale promotions, including the behind-the-counter displays known as power walls. You may have heard about these already. I don't know if you've seen them or not.

A key component to a comprehensive tobacco control strategy includes the denormalization of the tobacco industry and its products. Retail display bans help to denormalize tobacco, as they remove tobacco from one of the industry's coveted advertising placements: point-of-sale displays that are in plain view of children. Although tobacco advertising has been banned in Canada for the last couple of years, the tobacco industry continues to spend millions of dollars on these power walls and other point-of-purchase incentives. This approach remains one of the last ways of advertising tobacco. In Kingston, these power walls often take up half the available space on the wall in small stores, with up to 150 packages in full view.

I'm sorry it's not bigger, but if you'd like to see this after, this is an example of what a power wall looks like. Some of you may have seen them in some of the small convenience stores.

When youth see these displays—

The Chair: You have about a minute left.

Dr. Gemmill: I'm about to quit.

When youth see these displays in more places than everyday items, such as bread and milk, many of them overestimate the use of tobacco and see it as acceptable and normal. With the Supreme Court validation of Saskatchewan's power wall legislation ban and the imminent ban in Manitoba, Ontario has an opportunity to join with them and encourage all of Canada to ban this practice. I strongly urge you to consider making such unsubtle assaults on youth vulnerability illegal.

I will just say this: Smoke-free public places and workplaces, combined with higher product prices through tobacco taxing, counselling for smokers, nicotine replacement therapy and other personal help have all been noted as factors that enable smokers to quit and stay quit. That's our goal, so that they don't end up being ill, they don't end up in hospital beds, they don't end up costing the system money, but primarily so that they have a better quality of life. Relapse often occurs when quitters find themselves in a smoke-filled environment, even, for example, in a covered outdoor patio.

In conclusion, our experience in Kingston with being smoke-free has been remarkable, I would say. Our smoke-free patios are full of patrons. Because our bylaw has all bars and restaurants as 100% smoke-free, there is no perceived business advantage and everyone is being treated equally.

All Ontario citizens deserve the protection that Kingston residents have against the negative health effects of second-hand smoke. Ontario has the opportunity to be a leader, nationally and internationally, and to inspire other provinces to enact smoke-free legislation. KFL&A Public Health wholeheartedly supports Bill 164 and a smoke-free Ontario, and strongly urges you to consider very seriously the recommendations we have made today. Again, thank you for your time.

The Chair: This round of questioning will go to the official opposition.

Mr. Barrett: Thank you, Dr. Gemmill, for presenting on behalf of the health unit on second-hand smoke. You mentioned there are 250 communities that are smoke-free in Ontario. I should know this: How many communities are not smoke-free or how many will be changed with this law?

Dr. Gemmill: How many municipalities do we have? Is it 900 or more? I don't know how many we have in Ontario. I think the point is—

Mr. Barrett: How many? I'm sorry?

Dr. Gemmill: I'm sorry, I don't have the answer to that question, but it goes back to Ms. Martel's point that we have a patchwork across Ontario. Even in our own area, one of the concerns that came up was, if people can't smoke in Kingston restaurants, are they going to go to Napanee or Gananoque? These were the kinds of arguments that came up. It hasn't happened, but these are the kinds of things that happen.

Mr. Barrett: You mentioned deaths. How many deaths are there from second-hand smoke? What evidence would that be based on? Death certificates or coroners' reports?

Dr. Gemmill: The people who are experts in this area estimate that—I'm going to say perhaps up to 10% of the deaths that occur due to tobacco are related to second-hand tobacco smoke exposure. In Ontario there are 16,000 deaths a year, so you might imagine over 1,000 deaths in Ontario each year due to second-hand smoke.

Mr. Barrett: Who are those experts? I just want the names.

Dr. Gemmill: Well, I think you saw Michael Perley earlier today. The people in the States are generally led by Jim Repace from the—

Mr. Barrett: He does research, does he?

Dr. Gemmill: Yes.

Mr. Barrett: What's his name? Sorry.

Dr. Gemmill: Jim Repace.

The example of Heather Crowe, whom you've seen on TV, who worked at the Newport grill, I think it was, in Ottawa for 40 years and is dying of lung cancer—these are not events that are uncommon when you get exposed to second-hand smoke. Of course, everything boils down to dose. If I'm only exposed when I go out to eat, that's one thing, but an employee who works there day after day, where the air is blue, they run a significantly increased risk of the negative health effects.

Mr. Barrett: Would there be coroners' reports that would indicate that?

Dr. Gemmill: I'd have to check that for you, Mr. Barrett.

Mr. Barrett: You mentioned second-hand smoke and the problem if people are smoking outside, that experts in the field of second-hand smoke maintain there's an increased health risk. What studies would those be and what experts would those be? I'm just trying to get to the bottom of this.

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Dr. Gemmill: Let's put it this way: Any exposure to second-hand smoke—and, again, it's dose-related—is not great. We all accept the fact that smoke is diluted when it's outside; it's mixed with fresh air. However, the whole thing revolves around dosages. Frankly, it depends on how the patio is organized. If it's got flimsy walls and so on, it really isn't outdoor air any more, it's actually quasi-indoor air.

This is based on extrapolation from the fact that we know there are at least 40 chemicals in tobacco that are not allowed in workplaces through the labour laws we have in Ontario, yet they are allowed in these workplaces because they're not created by the employers. This is not OK. These employees are exposed to them. We know that if you smoke, there are health effects. We know, for example, that if a spouse smokes and you're exposed to it all your life, there are health effects.

I agree with you that it's not huge compared to being in a household for 40 years with somebody who smokes, but it is dose-related, and every bit of exposure is not good for a person's health. That's absolutely clear. I don't think there is any doubt about that.

Mr. Barrett: You quote that a researcher estimated that ventilation systems cannot clear tobacco smoke from an enclosed space, but we know the technology is there to clear mines, airplanes, laboratories or computer manufacturers, where they do exchange the air and take the air out. I just wondered who this researcher was who said the fans and systems don't work.

Dr. Gemmill: Again, Dr. Repace from the US.

The Chair: Thank you for your presentation this morning.

Dr. Gemmill: Thank you for considering these recommendations. I appreciate it very much.

MARTIN AIR SYSTEMS

The Chair: I call on our next presenter, Martin Air Systems, to please come forward. Good morning. You have 10 minutes for your presentation. There may be up to five minutes for questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

Mr. Jeff Martin: My name is Jeff Martin. I'm the president of Martin Air Systems. Between 2001 and 2004 we constructed somewhere between 100 and 150 designated smoking rooms throughout Ontario. I've been asked to come here and give you some insight on the York region health department study that has been and will continue to be presented as evidence of the failure of designated smoking rooms to operate effectively.

We built between 20 and 25 designated smoking rooms in York region. We haven't built any recently anywhere and we don't intend to build any more. The market has kind of come and gone for them, so I don't really have any vested interest one way or the other in whether you decide to allow them an extension or not.

The study that's presented, I believe, provides a distorted picture of the success of DSRs. I'd like to give you a little bit of history and a little bit of insight into how all of this came about.

Through the 1980s and 1990s, my company specialized in doughnut shop ventilation. In 1998, Tim Hortons decided to go non-smoking. They were a big customer of ours, as well as other doughnut chains—Country Style and Robin's Donuts. They have all used our equipment. What happened in 1998 was that the Tim Hortons smokers went to competing doughnut shops and the non-smokers from the other chains went to Tim Hortons. Although it has been represented that Tim Hortons went non-smoking successfully—which is true—there was this trade in customers that took place so that a disproportionate number of smokers ended up at the competing doughnut shops.

Those doughnut shops were aware, in 2000 and 2001, that they had a large smoking contingent in their customer base and knew that with the upcoming legislation, they either needed to install a smoking room or go non-smoking. Country Style was the first to face the prospect. They decided to take eight corporate stores non-smoking on January 1, 2001. They were doing that in an effort to show their franchisees that they could successfully go non-smoking and compete with Tim Hortons. Tim Hortons had been successful at it and they thought they could as well.

What happened was that in those eight stores, their sales went down approximately 60% immediately. The non-smokers literally said, "This is my last coffee and now I'm going to Joe's Doughnuts where I can still smoke." So Country Style asked us to install smoking rooms very shortly after that in those eight locations. As

a result, we were the first company to apply for smoking-room applications in many of the regions around Ontario.

With regard to York region, we had a Country Style in Richmond Hill that wanted to install a smoking room. I went into the building department in Richmond Hill and said, "I would like to apply for a building permit to install a designated smoking room," and they said, "That's fine, but you need the permission of the York region health department prior to doing that." I said, "OK. Where do I go to get that?" So they sent me off to the health department. At the health department, they said, "We don't really have anything to do with that. The building department is taking care of that." So I took the card of the person I spoke to back to the Richmond Hill building department and told them that I went there. I asked them to review my drawings, and they said, "That is your job. Here's her card, if you would like to call her. You can call her up and she'll confirm that." He had a conference with his manager, and they decided that the building department was responsible for administering the building code and that, as long as the drawings that we submitted met the Ontario building code, they were going to issue a building permit, and that's what happened.

During 2001, it was mostly doughnut shops that applied for designated smoking rooms. They knew that their customers were smokers and that if they didn't put them in, they were going to get hurt. Other companies that had patios or larger restaurants had been told by health departments and others that they could go non-smoking, and many of them chose, because the bylaw was implemented on June 1, to try going non-smoking for the summer, see how it went and then assess it in the fall. In April, May and June 2001, we were furiously building designated smoking rooms exclusively for doughnut shops. In York region, there was no oversight by the health department on these drawings and the construction of the rooms. So it came around to the fall of 2001 and they realized that the building department wasn't doing what they thought they were doing, and they hired a consulting engineer and started the process of administering the approval of drawings, issuing approvals and then forwarding them to the building department.

Unfortunately, that happened, I'm recollecting, in September or October 2001, and they were only allowed to hire the consulting engineer until December 31 because the contract was significant enough that they had to tender the contract. On December 31, all work in York region stopped because they had to tender the contract, and no drawings were approved in York region until the middle of March 2002, after they'd completed tendering the contract and hiring the new consultant. It was about the middle of 2002 when they finally got up to speed and, to their credit, I would say that from the middle of 2002 on they were by far the most consistent municipality to deal with, once they actually got their act together. As a result, all of those smoking rooms that got built primarily for doughnut shops went through the process before that.

So they decided to retroactively go back through the records of the building department, go to all those stores and say, "You have to submit to us those drawings that have been inspected, approved and signed off by the building department and we're going to tell you whether or not they comply with the way we interpreted the bylaw. Then you have to make the changes that we deem necessary to meet our interpretation of what the bylaw says." For example, it says that you can enclose up to 25% of the public space. Well, the building department didn't necessarily count public space—the bathrooms, the vestibule—the same way that the health department did, and the health department could say, "Your room is too big." Those kinds of things happened. That's just a little bit of history of what happened.

I'm just catching up to my notes for a second.

The Chair: You have about two minutes left; just to remind you.

Mr. Martin: OK. I'll skip to the study.

You'll see on page 2, at the bottom, that 78% of the premises failed to meet the bylaw requirements. On page 3, at the top, you'll see a breakdown of that. You'll see that they retested 69. A little later on, you'll see that 100 were actually constructed. I don't know this for a fact, but what happened to ours was that we had constructed 25 that were tested by them after a year of operation, and they passed. I was there for the inspections. I made sure they passed. In the 2004 study, the ones I had constructed that had passed were not retested. I didn't attend the testing as part of this study. They only tested 69, and I don't know for a fact, but it would appear to me that they tested the ones that had failed previously, not all of them.

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Fifty per cent had to reduce their occupancy load. With this what happens is, in a doughnut shop they didn't know how many people were going to use the room, so let's say they were allowed to build a room for 20 people. It's a group of tables of 4 but you get somebody in there reading a paper at a table of 4, and now the remaining tables only allow 15 or 16. You don't tend to get 20 people in 20 seats in a doughnut shop smoking room. So the way the health department decided that they failed was if they didn't ventilate for the number of seats they had, they failed. But they never had all the seats full, so given the choice to either retrofit or replace or improve their ventilation system or reduce the occupancy to how many people actually were using the room, they just said, "OK, I'll reduce my occupancy from 20 to 17, and I'll carry on, because it really doesn't make any difference," but it was counted as a fail in this study.

Twenty-four per cent resubmitted documentation and their DSR reopened with no change. For whatever reason, their paperwork wasn't up-to-date, but it didn't have anything to do with the actual performance of the system.

Thirteen per cent of the premises were closed. I would submit that those were some of the ones that went through the process early and constructed a room that wasn't close enough to meeting the requirements of the bylaw, and the amount of money it would take to bring it

up to the standards was exorbitant and they chose to close the room.

Thirteen per cent of the premises are still being reviewed by the engineers.

So of the 100 that were built—if you would agree that even though 50% reduced their occupancy, they were ventilating for the number of people who were actually in the room, and 24% of them were paperwork violations or whatever. The health department will say that 78% of them failed but more than 80% of them were working for the number of people who were actually there.

I'd be happy to answer any questions you might have.

The Chair: This round of questioning will go to the NDP.

Ms. Martel: Thank you for being here today. I'm looking at the slides, and I have a question about the next slide that's under the slide that you just referenced.

Mr. Martin: Which page are you on?

Ms. Martel: I'm on page 3. I think you were referencing the slide on the top, which says "Results of the DSR air flow."

Mr. Martin: Yes.

Ms. Martel: If I look at the next slide, it says "Two major findings from the DSR air flow compliance checks." The first issue is "malfunctioning of the ventilation system (includes failure to do monthly maintenance and systems not operating due to faulty parts)." That came even above occupancy load.

So as I read that slide, it says to me that a significant part of the problem was the ventilation system not working. Am I reading that slide correctly?

Mr. Martin: You're reading the slide correctly. What happens when you install a smoking room and a ventilation system is that there are filters in it and, over the course of time, the filters get dirty and the air flow does slowly diminish. If the filters are never replaced, ultimately the ventilation system would stop working. At some point in between, it would work to a lower degree of efficiency than when it was brand new.

The problem that York region health had was that they had no enforcement or review of the ventilation systems. For example, other municipalities included in their bylaw—I'm in Burlington, and in the Burlington bylaw they had a \$250 fee included for annual re-inspection of the rooms and required an annual report from an air balancing contractor and a letter from the engineer who designed the room to state that the room was continuing to operate properly. That was done at the expense of the operator. York region chose to take on that expense themselves and not defer it back to the operators.

Ms. Martel: All right. If I follow from that, then here's what I worry about: It sounds to me like a number of operators, unless the inspector was in and following up, were in fact not doing what one would reasonably expect them to do, which is to change filters and to make sure that their ventilation system was working properly.

Mr. Martin: I didn't find that to be the case with the smoking rooms. They're a very expensive investment for these people. York region says that even the smallest DSRs cost \$50,000, which is wildly exaggerated, by the

way. If it actually did cost \$50,000 for some poor little doughnut shop guy to build a smoking room, he expects it to work. It is in his best interests, from a business perspective, that the smoke isn't migrating to the other areas and that the customers are happy.

There may be a few; in any industry, that would be the case. All I'm saying is, in the same way that other aspects of the restaurant business are enforced—for example, the liquor board goes in and spot-checks to make sure people actually stop serving at 1 o'clock. If they didn't do that, some people would continue to serve beyond 1 o'clock, and the same thing with speeding or anything else. There is a level of enforcement that's required to keep people up to the intent of the bylaw.

Ms. Martel: I guess that's my concern. On the face of it—I've listened carefully to what you've had to say and I'm not trying to misconstrue anything you've said—it sounds to me that unless you have some regular inspection going on, you're going to have folks who are not going to uphold the bylaw. That may be OK with some bylaws, but we're talking about a situation where—I quite firmly believe that second-hand smoke does cause lung cancer and other cancers, and is a very good reason why we should be eliminating it and eliminating workers' risk from that second-hand smoke.

I guess I look at the results a little bit differently. As I read it, the malfunctioning of the system was a big problem, and maybe a part of that big problem was that unless there were inspectors in there making sure people were doing what they were supposed to do, then they didn't do that. I take from that that you could have that replicated in community after community, which says to me it's probably one good reason why you should just say, "Eliminate them altogether." I'd like to think that most people do what they should in respecting the bylaw, but I suspect that they don't. As a result of not doing what they're supposed to be doing, they are putting both workers and others patrons in the restaurant at risk.

Mr. Martin: In my experience, most of them do change. The changing of filters isn't expensive. It's \$100 for a couple of filters and a service call to come and do it. There are a few that won't, for whatever reason, but the vast majority of them do.

I don't think that you are ultimately going to enshrine designated smoking rooms indefinitely in Ontario. My perspective on it is that, in my experience, most of the operators of smoking rooms do comply with the bylaw on a regular basis and they would like you to give them enough time to recoup the money that they invested. From a business perspective, being a business person, I think that would be a fair thing to do, and that's why I'm here.

The Chair: Thank you for your presentation this morning.

ONTARIO RESTAURANT HOTEL AND MOTEL ASSOCIATION

The Chair: I call on the Ontario Restaurant Hotel and Motel Association to come forward, please. Good morn-

ing. You have 10 minutes for your presentation. There may be five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Terry Mundell: Good morning. My name is Terry Mundell and I am the president and CEO of the Ontario Restaurant Hotel and Motel Association. It's my pleasure to have the opportunity to speak with you this morning regarding Bill 164, the Smoke-Free Ontario Act.

The Ontario Restaurant Hotel and Motel Association is a non-profit industry association that represents the food service and accommodation industries in Ontario. With over 4,100 members province-wide, representing more than 11,000 establishments, the ORHMA is the largest provincial hospitality industry association in Canada. Ontario's hospitality industry is comprised of more than 3,000 accommodation properties and 22,000 food service establishments, 17,000 of which are licensed to serve alcohol.

The hospitality industry continues to struggle to recover from the direct and indirect consequences of several factors outside the industry's control. You've heard me discuss them before: 9/11, SARS, BSE, the high Canadian dollar, the NHL strike. In fact, just this month Statistics Canada released its labour force report using 2004 data and indicated, "There were job losses for the second consecutive month in accommodation and food services, with losses of 18,000 in March and 20,000 in February. All of these declines occurred in food and beverage services. Compared to a year ago, employment and hours worked have declined in parts of this sector, notably in taverns and bars."

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Bill 164 will most directly and immediately impact the pub, bar and tavern segment of the hospitality industry. Independently owned small and medium-sized businesses dominate this segment. Having suffered four straight years of declining sales, with revenues down 20% for the average operator in the first quarter of 2004 compared to the same period in 2000, operators have seen pre-tax profit margins drop to only 3.7%, on average. Data also show us that alcohol sales in pubs, bars and taverns are declining but in-home consumption of alcohol is on the rise. Now the industry is faced with a provincial smoking ban. We know from experience, both municipally and in other jurisdictions, that this too will hurt the industry.

To be clear, the ORHMA supports provincial legislation to eliminate the current patchwork of municipal bylaws, which is unfair, uncompetitive and unworkable for the industry. We support a model that brings consistency throughout the province. There are, however, some general and specific concerns related to the impact and drafting of the legislation, respectively, that I would like to present to this committee.

Over the past years, the government has placed a tremendous effort in supporting the Ontario tobacco strategy. Recognizing that the Ontario tobacco strategy will negatively affect both tobacco growers and their communities by reducing demand for their product, the

government established a \$50-million tobacco community transition fund to assist tobacco farmers and their communities. Through the Ontario tobacco strategy, the government has also supported Ontarians to quit smoking through smoking cessation programs, public education campaigns, a telephone support line, school- and community-based smoking prevention programs, and television and print media advertising, yet the government has failed to support the hospitality industry as it prepares for a province-wide smoking ban. Unless given some relief, many operators will either go bankrupt or close their businesses and walk away. The impact will be felt on communities, jobs and government revenues.

Prior to the introduction of Bill 164, the ORHMA recommended to the government that Ontario's provincial smoking legislation be modeled after the legislation in British Columbia, which permits the operation of separately ventilated designated smoking rooms. We recommended that this model be incorporated into Ontario's legislation, and we're disappointed that it was not. In fact, Bill 164 will result in the closure of more than 700 municipally approved designated smoking rooms on May 31, 2006. These operators have made significant investments in DSRs based on their ability to recoup their investment. That opportunity will now be lost. Hospitality operators who have made an investment in a DSR need a transition period so they can earn a payback on that investment while adjusting their business models to accommodate smoke-free operations. During that transition, we support separately ventilated designated smoking rooms and occupational exposure limits to protect workers. The ORHMA recommends that the expiry date for the operation of DSRs be extended to 2010. This date is recommended as it reflects several current municipal bylaws that included an end date when they were introduced.

However, we must remember that this bill affects more than just those 700 operators. Some 17,000 operators licensed to sell liquor will be affected by this bill in one way or another, specifically in reduced sales revenues. In order to assist licensees, the ORHMA recommends that the government eliminate the gallonage fee. The gallonage fee is a tax on alcohol paid only by Ontario liquor licensees. It's charged on top of all other provincial and federal taxes and levies at a rate of 12% for the purchase of wine and spirits, and \$2.64 per hectolitre on the purchase of beer. This is an unlegislated and unjust tax, and its elimination will save licensees approximately \$48 million annually. The elimination of the gallonage fee is the hospitality industry's equivalent to the farmers' transition fund. In fact, in its 2005 provincial budget, the government of Newfoundland and Labrador announced the elimination of its equivalent fee for licensees to support the industry, as it too faces a province-wide smoking ban.

I would like to now make a few points about the specifics of Bill 164.

It's now common practice within the accommodation sector to prohibit smoking in common areas of hotels and motels. The ORHMA recognizes and supports the ex-

emption contained in Bill 164 that permits registered guests and their invited guests to smoke in designated guest rooms.

Another specific concern with the Smoke-Free Ontario Act is related to the wording of the legislation. Bill 164 prohibits smoking in all enclosed public places. Upon introduction of the bill, the minister stated, "We are ... not proposing to ban smoking on outdoor patios. But ... an outdoor patio must be a true outdoor patio." The ORHMA was pleased to hear the minister's statement that he is not proposing to ban smoking on patios; however, the legislation itself does not mention patios specifically.

To avoid confusion, the ORHMA recommends a clearer definition of the term "enclosed public place." Taking the experiences within the city of Toronto as an example, we know that such definitions of "public place" without specific mention of patios led to confusion and inconsistent interpretation and enforcement. The ORHMA recommends that the legislation be amended to provide clarity around the definition of "enclosed public place," and ultimately to put to rest any potential confusion about smoking on patios.

As I said earlier, the ORHMA supports the elimination of the patchwork of municipal bylaws through the implementation of provincial legislation, but calls on the government to take immediate steps to provide targeted relief and assistance to Ontario's hospitality industry as part of the Ontario tobacco strategy.

Thank you for the time, Mr. Chair.

The Chair: This round of questioning will go to the government.

Mr. John Wilkinson (Perth-Middlesex): Hello, Terry. Good to see you.

Mr. Mundell: It's a pleasure, Mr. Wilkinson.

Mr. Wilkinson: Thank you for coming in. It's great that you've been able to come in here. We appreciate, on the broadest principle, of course, that you support what we're trying to do, which is to have one set of rules right across the province. I just want to talk about a couple of specific things.

One of the previous deponents—I don't know whether he's a member of yours—was from Shoeless Joe's, and he related to us that there are restaurants today getting approvals to build DSRs now, under the existing municipal framework, despite the fact that we've introduced Bill 164. Is it the position of your association that your members should be doing that right now? We're not talking about, you know, that it was 2001 and that we weren't around and that in opposition we hadn't made this promise—which we did. Are you aware that members of yours are actually building DSRs today?

Mr. Mundell: We recommend that our members take a look at the business case based on the legislation which is front of the House. Each individual payback and each individual business case is different, so we recommend that operators consider that.

Mr. Wilkinson: My understanding is that about 700 restaurants are involved with DSRs. How many do you represent in total?

Mr. Mundell: We represent about 11,000 establishments across Ontario.

Mr. Wilkinson: So 11,000, and there are 700 that have this already in force. Just from an economic point of view, they would have a tremendous competitive advantage if we were to allow DSRs to be extended beyond 2006, as you propose, to 2010. Those 700 would have one great big advantage. If Ontario is smoke-free, everybody's got a level playing field. If we don't move forward on this, you've got 700—I've had people who don't have DSRs say, "Listen, I've got a competitor next door"—who may belong to the same association—"who's going to have a huge advantage, because he flouted the law and maybe even built one." What do you say to your other members? You've got 700 who want to do this, but what about the other 10,300? Aren't they going to be unhappy with that position?

Mr. Mundell: I suggest that there are two things there.

Number one, we clearly look at the elimination of the gallone fee to support all of our members across Ontario. Based on the profits in our sector of 3.6%—the bar, pub and tavern sector—we think that's a problem.

The other thing you have to look at is that those 700 members went out in good faith and borrowed money, borrowed capital dollars on a business case, with a repayment schedule. They followed all the rules of the municipal government of the day. In fact, you'll be putting them at a disadvantage, because now they don't have the revenue to fund that capital exposure and pay that loan they've already got. They may, in fact, be in worse shape than those others.

Mr. Wilkinson: I understand, and people who have come here have done a good job of presenting that case. Here, at the provincial level, we have to resolve that. Maybe it pays to be Solomon around here, but we have to deal with those issues.

Fundamentally, as far as we're concerned, this is all about public health. It goes to the issue of de-normalization of smoking. I go to a restaurant with my children, and in the restaurant there are people who don't smoke and then there's a place over here where they're smoking. Does that not send a signal to children that smoking is normal? We can't be "a little bit" on this issue, I think. You said, "Just grandfather it out to 2010," but do you agree with us that it is not in the public interest that we should be allowing a message that smoking is normal? Children see this, and that's who gets hooked—kids. People who are 45 don't take up smoking; teenagers take up smoking, pre-teens take up smoking. They're heavily influenced by advertising. They're heavily influenced by looking at what adults do. If they're out in public seeing adults smoking, is it not sending the message to our children that somehow this is normal, despite the fact that we're all paying the cost for this?

Mr. Mundell: I would suggest that if, as you say, the issue is about de-normalizing smoking, maybe the government should take the extreme step and eliminate it totally in Ontario, period. If you really and firmly

believe, as a government, that tobacco is the issue, then eliminate it totally. Don't take the bar, pub and tavern sector and make us pay the price for everybody in the province. Take the grand step: Eliminate the production of tobacco, eliminate smoking in Ontario, period. Take a stand and do that.

Our issue is not about de-normalizing tobacco. We're the hospitality industry. We're here to support people to come and have a good experience in Ontario, to drive revenue so you can spend money on the things that government spends money on: health care and education, all those good things. That's what we're about. We're not about tobacco; we're about profitability. We're about trying to drive our business.

We think DSRs are a reasonable compromise. We think it makes some sense. We also tend to think that elimination of the gallone fee will give us an opportunity to transition it. Why are we different? Why are we different from farmers? They get a \$50-million transition fund. What makes the hospitality industry different? Why are smokers different? You've got transition programs and cessation programs, and significant money invested there. What makes the 400,000 people in our industry so different that the government won't support us? That's the question: Why don't we get transition funding?

The Chair: Thank you. The time has expired for questioning.

Mr. Norm Miller (Parry Sound–Muskoka): On a point of order, Mr. Chair: The process for being able to question deputants—I gather you're designating one party?

The Chair: In rotation, yes.

Mr. Miller: My point is that there are some presenters the opposition wants to ask a question of and some we don't want to ask a question of. Your random way of apportioning whether you get to ask a question doesn't allow us to have the opportunity—

The Chair: We only have five minutes for questions. Some questions take three minutes to be put and some answers take three minutes to be given, which alone takes the five minutes. Trying to divide five minutes between the three parties is very difficult. It was agreed in conversation at the subcommittee level that we would do it this way.

Thank you for your presentation this morning.

For the committee, there is a full agenda this afternoon that will take us through to 6 o'clock. Another agenda will be provided for you. We would ask you to take your personal belongings out of the room, although it will be secured.

We are recessed until 4 p.m.

The committee recessed from 1152 to 1601.

HEATHER CROWE

The Chair: The standing committee on finance and economic affairs will now come to order. I call forward Heather Crowe. Good afternoon.

Ms. Heather Crowe: Good afternoon.

The Chair: You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard, and you may begin.

Ms. Crowe: My name is Heather Crowe, and I'm a hospitality worker. I worked for 40 years in the restaurant industry. I'm a non-smoker. Three years ago, in 2002, I was diagnosed with lung cancer from second-hand smoke in the workplace. I've never smoked. I worked an average of 60 hours a week. This is why I'm here today, to ask for a complete ban in all workplaces and public spaces.

I am getting my workmen's compensation, and I had to get a lawyer to do that. Because we work below minimum wage, we have \$225 a week. Due to this, I'm asking for a complete ban so we can at least earn a living and go to work on a regular basis. I wouldn't be in this condition today if I had known that second-hand smoke kills. I'm asking for a complete ban in all workplaces.

Right now, we have what I consider first-class workers, who are provincial and federal workers, and then we have the second-class workers, who are hospitality and musicians. We have no protection whatsoever in this case. Health and safety doesn't cover us. It's such a hassle when you have to try to fight with a lawyer to get your workmen's comp and you're sick.

I'm at third stage B lung cancer. I've been through 10 chemo, 30 radiations and nine months of steroids. I'm in remission right now and I'm hoping that I will at least reach the five-year period. Eighty-five per cent of lung cancer patients die within the first three years, so I'm very fortunate to be in the 15% who maybe live five years.

I'm hoping that you will understand that I'm not asking smokers to give up smoking, I'm simply asking them to step outside to save a life and make a difference in our workplace so we can at least be living. Workers shouldn't go to work to die. This is the way I feel. I just feel that my career has been cut—I'm a career waitress—eight years. For me to go down and pick out my ashes box, I was thinking, "This is my freedom 55?" This is what I'm supposed to expect after 40 years of working, 60 hours a week? There's something wrong with this.

I'm looking forward to seeing a complete smoking ban in all workplaces and public spaces so that all of us can earn a decent living and manage to be good citizens and pay our way.

Thank you. Any questions?

The Chair: Thank you for your presentation this afternoon. This round of questioning will go to the official opposition.

Mr. Barrett: I'm certainly saddened by the situation you're describing and have described many, many times to people right across Canada. I'm trying to think, is it the CBC that runs the ads?

Ms. Crowe: I did an ad about second-hand smoking in the workplace, yes, and I've been right across Canada to see the Minister of Health and the Minister of Labour.

Mr. Barrett: Would that be the federal minister or provincial?

Ms. Crowe: Provincial.

Mr. Barrett: Earlier today Michael Perley testified before the committee and he made mention that British Columbia allows designated smoking rooms under its Workers' Compensation Board rules. Do you have any comment about that? I know your recommendation to this committee is for all of your customers to go outside to have a cigarette. Much of the discussion we've had for today was about ventilation systems. Was it 30 years that you—

Ms. Crowe: Forty years of working there.

Mr. Barrett: You weren't in ventilated systems.

Ms. Crowe: No. What I found with the ventilation is that the door is quite often propped open. The waitresses have to go in there to serve. You can say, "You can refuse," but if you refuse, you don't have a job. In small-town Canada, we don't have choices.

In Newfoundland, for instance, I met a group of workers in the bar. All the restaurants were smoke-free, so people would leave the restaurant and the banquet hall and go into the bar. All the workers were on antihistamines and an older waitress there had holes drilled in her sinuses to keep the job that puts the bread and butter on her table. This is what I'm saying. Up in Prince George they had the door propped open in the ventilated room. In the airport in Halifax, the circulation was closed off because the roof was leaking. These are just some of the smoking rooms I've seen across Canada.

Mr. Barrett: You mentioned that you had to get a lawyer to get workers' comp on this case. In chatting with lawyers, have any of them indicated that there would be a case here for a lawsuit? Maybe not your case, but I know there are thousands of people who are in the hospitality industry, like yourself. Has anyone talked about a lawsuit against either the employer with an unsafe work environment—

Ms. Crowe: Yes, there's liability—a possibility that there is. The thing is, I was actually the first one to stand up and say something because of my condition. I felt that I needed a lawyer, because I was going through cancer treatment. With the radiation and the chemotherapy, you just can't try to fight workmen's comp on top of it, so I had to have someone fight it for me. I was in no condition to do so. After 40 years of working, I was entitled to 15 weeks of unemployment insurance and then told to go on welfare.

I'd worked 40 years and I had to pay for my drugs. When you get into the chemo chair, they give you one pill; that pill costs you \$230, and you have to bring your own pills next time. You have to pay for your pills and your chemo. When you don't have any medical or any kind of pension or anything—so here I am. How am I going to support myself? They gave me a community program to pay for my drugs. But I worked for 40 years. This is a compensation case, and this is why I worked for it.

I felt that maybe the government did not know for sure that second-hand smoke causes lung cancer. I had never

smoked, but just the exposure of being in there eight to 10 hours a day and breathing that made me—people would say to me, “Do you mind if I smoke?” and I’d say, “No, it doesn’t bother me.” I didn’t know. The thing was, I have an insurance policy, and my insurance policy is for a non-smoker. The insurance company certainly didn’t tell me either; they didn’t tell me that I was high-risk so therefore I should have a smoking policy.

Mr. Barrett: It sounded like you or your lawyer—it took a number of attempts to get workers’ comp?

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Ms. Crowe: No. Six weeks is what it took. I had three complete biopsies. The glands on the side of my neck—they took fluid out of that. Then they did a lung biopsy and then they actually took the gland out.

There are four stages of cancer, and they are able to stage you as they take the gland out and examine it. I was in the third stage B, which means it moved from the left to the right. They way they can tell is that they actually take a piece off the tumour and put it under the microscope. This way, they can actually tell, by the way the cells look in the tumour itself, whether it came from a fibreglass or a building material of some sort. But mine was just as if they’d taken that tumour from a smoker. Those were the types of cells that were in the tumour. This is why they called it a smoker’s tumour.

At that time, there was cancer in my lymph gland, so they closed me up and sent me home. They couldn’t operate. Then they sent me for the chemo and the radiation. My lung capacity went down to 25%. At that time, I couldn’t make my bed, I couldn’t walk, I couldn’t shower. I had to have my daughter count my pills. It’s just unbelievable. You spend no time in the hospital whatsoever, so your family has to take care of you. You don’t have any extended medical care of any kind when you’re in the industry. After all these years, I felt that welfare was not an option for me because I had been a worker. I had been contributing for 40 years and wanted to continue to contribute.

I was blown away. Why weren’t we protected from this kind of environment? If they knew, why didn’t they protect us? Are we the invisible worker or are we the disposable worker? Why do employers think they have the right to sacrifice our lives? The attitude is: It’s just a few lives; that’s the cost of doing business in Canada.

The Chair: We have no time for questions. Sorry. Thank you very much for your presentation this afternoon. The committee appreciates your being here.

ONTARIO KOREAN BUSINESSMEN’S ASSOCIATION

The Chair: I call on the Ontario Korean Businessmen’s Association to please come forward. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. Please identify yourselves for the purpose of our recording Hansard, and you may begin.

Mr. John Huh: Thank you. My name is John Huh. I am a store owner at Queen and Bathurst. I have been a convenience store owner since 1981. Also, I am the president of the Ontario Korean Businessmen’s Association. I will just briefly introduce our association. I came here about the banning of tobacco displays, actually.

The Ontario Korean Businessmen’s Association was established in 1973 and is now serving over 3,200 small business owners in Ontario. It is registered as a non-profit organization and mainly provides membership services as well as group purchases. Its estimated annual volume is approximately \$2.5 billion, including the association’s own wholesale outlet. About 75% of its members—that is, 2,400 members—are convenience store owners. These establishments represent approximately 34% of all convenience stores in Ontario.

Our stores are open long hours and even seven days a week. Profit margins are small, and over 90% of our stores are operated by families for whom the store is their entire livelihood.

We Koreans are proud people who work hard and consider it shameful to ask for help from others. We started getting involved in convenience store operations in the late 1960s as we started to migrate to Ontario, Canada. Convenience stores have become the grassroots of the Korean community ever since, and the OKBA is symbolic within the Korean community. We have one or more store owners in every Korean family, and our entire Korean community in Ontario is knitted together on the basis of these convenience stores.

I will talk about the tobacco tax increases that impact our stores. The government’s continuous tax increases threaten the safety and livelihood of convenience store owners and employees. An analysis of the crime rate revealed that the incidence of robberies and break-and-enters at convenience stores has experienced a significant increase of 127% since 2001-02. Law enforcement officials commonly believe that cigarettes are attractive to criminals due to their price—that is, \$60 per carton—and the ease of disposal. Police officers have observed a rise in the number of robberies and break-and-enters at convenience stores. They believe cigarettes are among the top reasons why criminals target these types of establishments.

Theft and robbery involving cigarettes: Due to the high price of cigarettes, the crime rate and capital loss in convenience stores are increasing at an alarming rate. The incidence of crime in convenience stores was about one in four stores in 2003-04, but we believe the incidence of crime is higher than that, since a lot of store owners are not reporting, for various reasons. Actually, almost every store has experienced some form of robbery, break-in or holdup.

There was a significant increase, 96.6%, in the overall reported loss from 2001-02 to 2003-04 at convenience stores. The overall average increase was 80.9%. In 2003-04, the average loss was larger when cigarettes were involved—usually between \$3,000 and \$9,000—

than when cigarettes were not involved, which averaged from about \$1,400 to \$4,500.

One simple observation indicates that cigarette prices have increased in Ontario since 2001-02, and during this period there has been a significant increase in the incidences of crime and reported losses in convenience stores. Convenience stores have experienced a 127% increase in the incidences and a 164% increase in the average of the reported dollar losses. A high level of crime is associated with higher cigarette prices and is correlated. Another aspect of the problem is a slow response time when a robbery is reported and also the low success rate in catching thieves.

Tobacco retail display ban: We fully understand the Ontario government's Bill 164, the Tobacco Control Statute Law Amendment Act. OKBA understands the government's objective of reducing smoking among young people and ensuring that no person under age 19 purchases tobacco products from any OKBA convenience stores.

OKBA recognizes the importance of shopkeepers having tobacco products accessible to young consumers in a safe manner. We are committed to working with the government on age-restriction programs and agree to work with our members to remove all countertop displays of tobacco products by May 2006. Any person who looks 25 or under will be asked for photo ID, and we are implementing the "We expect ID if you are under 25" program in conjunction with the OCSA, the Ontario Convenience Stores Association, to ensure consistency throughout the province.

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Security concerns: Without the display area behind the counter, we will be forced to store tobacco under the counter or put a curtain in front of the tobacco display. This seems like a good solution to some, but it is not practical. Furthermore, it will create a huge security issue. Every time a customer asks for a pack of cigarettes, we have to turn around and open the curtain or bend down to retrieve a pack of cigarettes from under the counter. This will encourage thieves and robbers. We shopkeepers should have tobacco products accessible to us in a safe manner too. The government needs to keep in mind the importance of allowing us to have access to tobacco products in a safe manner that does not put us at risk of theft or armed robbery. And who is going to pay for the cost of modifying a counter or installing a new counter area?

Economic hardship: Sales decrease. Ontario policy-makers say that every 10% increase in cigarette prices will result in a 17% decrease in youth smoking and a 5% decrease among adult smokers. About 60% of convenience store customers shop at nearby stores to buy tobacco, and they pick up other items when they shop.

As you are all aware, sales of tobacco products are decreasing by 10% to 12% per year. The portion of tobacco sales of most convenience stores is 65% to 75%. This means that retail sales of the tobacco dollar in our convenience stores are decreasing by 15% to 20%. If we

consider other products a convenience store customer buys when they walk into the store, like chips, gum, candy bars or milk, our sales are decreasing by 25% to 35%.

With a behind-the-counter tobacco display ban, we are bound to lose display allowances. We estimate that this figure will be approximately \$5 million annually for our members and \$88 million in total for Ontario. If the price of a small pack of cigarettes becomes \$10, we predict that about 30% of corner stores will be closed down.

The Chair: You have about one minute left in your presentation.

Mr. Huh: OK, sir. I will just give you the suggestions and the conclusion, then.

Instead of making a law to fine our retailers, we suggest that government make a law to fine the minors who smoke. Instead of making legislation to ban retail displays, we suggest that the government create a program for schools, parents and the public. We also suggest cutting down the count of cigarette brands to half.

Conclusion: The convenience store is the centre of a community geographically, politically, socially and economically in every region. Our OKBA members have diligently served the community for the last 40 years. We employ more than 10,000 people across Ontario and we are also responsible for the well-being of more than 30,000 Ontarians when we count our employees' family members. We also contribute to the community by selling lottery tickets, TTC tickets and stamps, with minimal returns.

We request that the government not ban all tobacco displays. We need our behind-the-counter display, since it is our storage place and a safe place for all shopkeepers and minors alike. We store our cigarettes on the shelf behind the counter as we store groceries, bread and dairy items on the store shelves. We have about 250 different brands of cigarettes, and we need enough space to display all of them.

Tobacco is a sunset category, but our stores need time to adjust the dependency on tobacco sales for our livelihood. This legislation, with a ban, is forcing us to move too fast and puts us, our employees and family members at great risk. It will cost us jobs and lead to greater criminal activity, and eventually it will put us out of business.

I want to remind all of you today that we need an evolution, not a revolution, and that we work together. Thank you.

The Chair: Thank you very much. This round of questioning will go to the NDP.

Ms. Martel: Thank you for being here today and for bringing this perspective. Some of us, when we think about retail businesses that are going to be affected by the legislation, think about Mac's milk, which is kind of faceless. We don't think so specifically about the many family-owned businesses and so many that you represent, which, by your own admission, are not making any significant profit and are essentially just hanging on.

On page 6, you say about the behind-the-counter display ban, "We are bound to lose display allowances."

Is this money that the companies provide to you for displaying their products? Is that what you're referring to?

Mr. Huh: That's right. It's not only the cigarettes; it's other items too. When we put items in a better spot, they pay us an allowance. As an example, in my store, two companies pay us. One pays \$13,000 a year and the other company pays \$5,500. Immediately, that is almost \$20,000 a year. If we ban it completely, then we lose that.

What I'm trying to say is this. I understand a smoke-free Ontario. That's a wonderful idea. But we've been selling cigarettes for years and years, and every year, especially recently, the price of cigarettes has gone up several times a year. The price is so high that my customers turn away from the store. We are suffering so much. Right now, 30% of independent convenience stores don't make money. They have no other job. That's why they're just hanging on there.

The other thing is that with cigarette prices going up, there's so much smuggling and counterfeiting, especially in the Indian reserve areas like Peterborough and Brantford. You can find trucks sitting there. There's a small hole, and if somebody puts money into the hole, a carton of cigarettes comes out. The stores nearby can't even sell any cigarettes. As you know, in convenience stores, at least 50%—but mostly the average is 65% to 75%—of the total sales is cigarette sales. Consumers come in to buy cigarettes, and then they also buy gum and chocolate bars and drinks and things like that. The traffic in convenience stores has dramatically slowed down in the last two years.

Ms Martel: New Democrats have supported this legislation, but we're conscious of people who've made an investment in designated smoking rooms; we've talked about compensation for those who put those in when the bylaw clearly let them. My colleague Peter Kormos has also talked to me about what we should do for small convenience stores. As much as we want to make sure that we don't start young people smoking—it's very much an attraction for young people when they come in and cigarettes are displayed in the same way that gum and chocolate and everything else is displayed—we have to recognize that there is an impact. You've very clearly talked about the financial impact on you and your members today.

Whatever you get back from the government in terms of sales of lottery tickets, for example, is not something that would bring in enough revenue to balance out what you might lose. Is that a possibility? I don't know how much you get in terms of a commission from lottery sales or if that's an avenue the government could consider in terms of trying to make up some of the lost revenue.

Mr. Hung Sik Moon: My name is Hung Sik Moon. I'm a member of the board of directors. I really appreciate everybody here, and I deeply respect all the health regulations in Canada. We're really proud to have the best health program in the world in Canada. We have good regulations, but efficiently, it doesn't deliver right

to the bottom. We have the regulations, but depending on the regulations, we have to fix the environment too. We have a really good environment to smoke, because the school doesn't enforce not carrying cigarettes. We have a regulation, but it doesn't affect down there. Mostly, the concern is about the students. At school, they can smoke anywhere. Even if it appears to the teacher that the student is smoking, they can do nothing about it.

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We used to have student officers when I was in high school, which is what I recommend; Canadian schools don't seem to have them. We enforced it, student to student. We visited every class and checked out the students doing the wrong things, and then we discussed it with them. Where it created a problem, we reported it to the teacher and the principal and they decided what to do. But here, we don't have that kind of system at all. We recommend that the schools should have student officers, and then they can solve the problem.

We have good regulations, but when we see what other countries do—as soon as you turn on the TV, there are smoke-free songs, singing with a little kindergarten voice to the kids, and then, in turn, to the parents. The singing is coming from all over the place, and then the little kids say, "Hey, Daddy, don't smoke," and they're going to say that all the time. That's why we put in the brief about a program for families and the public.

We have a regulation, but there's no backup, and then we suffer from that regulation in the store. We're already losing a lot of income because of that regulation. Canadians had the experience a few years ago, with a cigarette price hike like this time, that there's the influence to go to the black market, which is our competitor. I've been in that store for 20 years. I've never done a wrong thing. I did 21 years in one spot. We're trying to follow the regulations and the rules, but we're always innocent. Who's the winner out there? The black market. The black market is our biggest competitor.

This regulation you're creating now is what we really wanted to talk to everybody about today. Thank you.

The Chair: Your time has expired. Thank you for your presentation.

LIANA NOLAN

The Chair: Now I would ask Liana Nolan to come forward. Good afternoon. You have 10 minutes for your presentation, and there may be up to five minutes of questions following that. I would ask you to identify yourself for the purposes of our recording Hansard, and you may begin.

Dr. Liana Nolan: I'd like to say that I will be providing a written copy of my statement, but after today, because I don't have it with me right now. I apologize for that.

Thank you very much for the opportunity to speak to you today. My name is Dr. Liana Nolan. I'm the medical officer of health for the region of Waterloo public health. I reside in Waterloo, Ontario.

I'm appearing in support of Bill 164 because second-hand smoke exposure is a health issue. I want to ensure that the bill is as clear and as strong as possible so it can achieve its goal of protecting all Ontarians from second-hand smoke. I respectfully wish to make a few salient points.

First, with regard to workplaces, I strongly support and applaud the inclusion of workplaces in the bill. This is a gap in our particular municipality. In the region of Waterloo, we were the first to pass a 100% smoke-free public places bylaw. We did not include workplaces; subsequent municipalities have. This has been demanded at the local level, so because of local demands for action, we performed a workplace consultation in 2004. Interviews were conducted in 100 workplaces across Waterloo region, in the manufacturing, food processing, residential care and private club sectors. What we discovered was that, voluntarily, 78% of manufacturing and food processing places, 33% of private clubs and 42% of residential care facilities are smoke-free. Those that didn't voluntarily go smoke-free stated that they were in support of this type of legislation because it would relieve them of the responsibility of being the person who makes the decision to go smoke-free and that they could point to the legislation as it gets implemented. This is particularly an issue in a unionized environment. The private clubs that voluntarily went smoke-free reported that they did not see a decline in their membership, a concern that has often been stated by private clubs.

The second point I want to speak to you about specifically is private clubs and Legions. Proprietors of bars locally in our region have called for a level playing field. They feel that they are disadvantaged by private clubs that allow smoking. Bar owners are in compliance with the bylaw but want to see it fairly and evenly applied to include Legions. We anticipate that it's your intention to be inclusive of private clubs via the workplace provision but are concerned that unless private clubs are specifically mentioned, there may be room for legal games or challenges to the definition. We have certainly experienced that in the region of Waterloo, as private clubs have challenged our definition of "public places" and creatively have determined a number of ways to avoid being captured by the bylaw. Because my interest is in a strong and successful bylaw, I urge clarity of definition.

The next point is patios. Again, I'm hoping for you to benefit from our experience. In our bylaw, we did not clearly define "patio," and I applaud that you have. In our jurisdiction, it has led to enforcement challenges and detailed work that was required after the fact in order to determine what is or is not a patio. The definition of "no roof" is very clear and will be easy to enforce. Lack of clear definitions opens the legislation to challenge.

The next point I want to address is designated smoking rooms. I strongly support the absence of an exemption allowing designated smoking rooms in public places and workplaces. Workers have the right to be protected, just as all members of the public do. Designated smoking rooms create an unlevel playing field because they are expensive and not equally affordable or feasible for all.

They are also difficult to enforce, and they don't work. In my own experience as the medical officer of health in Saskatoon, where such a bylaw existed, I found that smokers didn't like the designated smoking rooms. They complained that they were too smoky, and the doors were always propped open and were therefore not effective, exposing others through the open door to second-hand smoke.

In terms of enforcement, I just wanted to comment that a key learning from the region of Waterloo was that well-written, clear definitions greatly assist enforceability. We expect the majority of individuals to easily comply with the legislation. However, I would expect focal trouble spots requiring intense enforcement efforts for at least six months. Perhaps those focal trouble spots will be geographic; perhaps they will be sector-based. We certainly experienced a small number of focal trouble spots that required a great deal of resources for us to address.

We found that firm, fair enforcement protocols enforced consistently were helpful and that having staff and legal resources available to be moved and deployed where enforcement challenges existed was very necessary, because the entire population was watching. Even though there was a small number of focal challenges, everybody watches it unfold and waits to see the outcome. The first few challenges and charges are critical in order to get a success, as others may be undecided or, while not openly challenging the law, want to wait and see what happens. They will pay close attention in those first few critical months.

In summary, I applaud Bill 164. I support the inclusion of workplaces. I urge explicit inclusion of private clubs. I support your clear definition of patios. I urge no exemption to allow for designated smoking rooms. I ask that you be prepared for a requirement for intense but short-term enhanced enforcement strategies.

Lastly, just a message to leave you with: I respectfully request that you remove the exemption clause on retail display bans that state "except in accordance with the regulations," as this leaves the door open for advertising. We know that advertising works, and therefore, there should be no advertising.

Thank you very much for your good work on this bill.

The Chair: Thank you. This round of questioning goes to the government.

Mr. Fonseca: Thank you, Dr. Nolan, for your presentation and for taking us through your mighty battles down in Kitchener. We've learned a lot from the experiences from all the different municipalities that have taken on this cause and have brought us to this point, where we want an end to this patchwork quilt and to ensure that we have a smoke-free Ontario to protect all 12 million Ontarians.

You bring up a number of points. First, about different exemptions, this is not a piece of legislation that is to be characterized by exemptions; it is one to protect all.

1640

In Kitchener, the example of not bringing in the workplace as a smoke-free environment—it's a critical part of

this bill. We are making sure that all workplaces will be smoke-free and that employees and those who enter into that place will not be harmed by the ill effects of second-hand smoke or any other smoke that would happen in that place.

You also brought up the Legions. I want to ask you a little about your experience. We have met with the Legions. They've met in my office at the Ministry of Health. We have spoken to them and consulted with them. To my understanding, only about 10% of veterans smoke. We've also heard stories from many vets who may have asthma or another disease or health concern, or who may not but who don't want to be exposed to second-hand smoke. They feel that sometimes those clubs are not open to them, because they cannot or do not want to go into a place where they feel they would be harmed. Can you tell us a little bit about your experience down in Kitchener?

Dr. Nolan: Sure. As I said before, I would expect sort of focal trouble spots. I've heard from some of my colleagues that Legions have not been an issue in other jurisdictions, but perhaps because we were first and because of how we made various definitions, we certainly have had resistance from that group. We have had a few clubs go voluntarily smoke-free.

Of course, the survey we did was with the promise that we wouldn't speak specifically about what each of them said, because some of them feel uncomfortable about coming out publicly with an view opposite to that of a colleague, especially in such a heated and heartfelt debate. But certainly we have heard from individuals who have said, "This is my club, and I don't go, because it's smoky."

To deal with private clubs, what we attempted to do was say, "If you're truly private, the public should not have access. But if it is a place where the public can go, then we expect that the same protection should be available." In most private clubs there are public events. There have been creative ways to try to circumvent that, by creating phony membership lists etc., trying to find a way to circumvent what we truly mean by the definition of "public." That's one issue.

The other is that we're hearing from individuals that they're the ones who are not able to use their club because they don't want to be exposed to the smoke. It can be hard for those individuals to come forward in the face of very acrimonious debate, in a council forum, for example. Our council debates were extremely acrimonious.

Mr. Fonseca: Dr. Nolan, what we want to do here is really—the stories have been heartfelt. I'm sure Heather Crowe's story, just prior to your presentation, drew a lot of emotion from everybody here in this room.

We also have other jurisdictions, like the city of Ottawa. Today, in their Metro paper, the headline is—and this is from a pub after Ottawa went smoke-free—"Ban Hurting Bars? Nah," which might dispel some of those rumours and fearmongering around bars. Actually, what some of the bar owners have said is that if they

were to allow smoking again—these are Toronto figures—they feel that about 80% of their employees would never come back because they would not want to work in that type of environment and that 25% to 30% of their customers also would not come back.

We actually know that in Ottawa, after their smoking ban, they had an increase of 181 new or expanded establishments. That's just to dispel some of the comments that have been made around banning smoking in the workplace. This is really about the protection of those employees.

Dr. Nolan: Do you want me to comment?

The Chair: If you'd like.

Dr. Nolan: Sure. I can just say that in Kitchener-Waterloo there were unsubstantiated claims of a decline in business. It was one of the claims in the lawsuit that the businesses launched against the region of Waterloo. When they were asked to substantiate those claims, they were either unwilling or unable to do so.

The Chair: Thank you for your presentation.

MYCHOICE.CA

The Chair: I would now ask mychoice.ca to come forward. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your name for the purposes of our recording Hansard, and you may begin.

Ms. Nancy Daigneault: My name is Nancy Daigneault. I'm the president of mychoice.ca, and I'd like to thank you for this opportunity to speak to you on behalf of the members of mychoice.ca. Mychoice is a non-profit online association that offers Canada's adult smokers a voice on government policies that affect them and a means to become involved in the decision-making process.

As we have clearly stated from the moment our association was launched last September, we are funded by the Canadian Tobacco Manufacturers' Council, but we operate independently of this group. Our members are not companies; they are the more than 18,000 individual people, 13,000 of whom are in Ontario, who have signed up since our launch.

We do not promote smoking. We have no desire to turn back the clock to the smoke-anywhere days. Our guiding principles include respect for the non-smoking public, and we seek to work with others to achieve fairness, civility and mutual accommodation. More than 10% of our members have never smoked or are, like myself, former smokers who share our goals.

We believe that all sides of the issues should be heard. Our Web site offers direct access to all sides of the debate, including government and health Web sites. A third of our members are interested in quitting smoking. We provide links to cessation help groups and a message board for members to discuss the topic. Indeed, my first request to the committee today is to ask that you press the government to live up to its promise to pay for cessation

products for smokers. This can be done, as the government says it collects \$1.5 billion in direct tobacco taxes. When tobacco taxes to the federal government are included, Ontario smokers pay a total of \$2.5 billion to the two levels of government that fund health care in this province. That is more than double the amount the OMA estimated as the cost of smoking to health care in this province. The provincial health minister now says the cost is \$1.7 billion, but even that figure leaves a net surplus of \$800 million. So where is the promised assistance for those who wish to quit?

Our members want the ability to have their own places where they can go without bothering others. Here are examples of the feedback we have received from our members through our surveys: 98% say that businesses should have the option to provide separately enclosed and ventilated DSRs; 95% say that Legions, bingo halls, private clubs, hotels, motels and long-term-care facilities should be allowed to have designated smoking rooms; 86% say they go out less often to restaurants and bars where smoking is prohibited; and 98% say smoking should not be banned in private vehicles.

Bill 164 goes far beyond protecting the public and into the realm of punishing smokers. There are viable alternatives to total bans, like designated smoking rooms. In British Columbia, for example, DSRs are allowed, but those who choose to work in them can only do so for a maximum of 20% of their shift.

The arguments for eliminating all alternatives are two-fold. First, there is the claim that smoking bans elsewhere have not created economic problems but have improved business receipts. The second is the claim that second-hand smoke is such a risk that no worker should be exposed to any level whatsoever. However, documents obtained from the Ministry of Economic Development and Trade through the FOI process indicate that it isn't this cut-and-dried.

I should add that I am also trying to get information from several other ministries, but so far, the MEDT documents represent the only response to our freedom-of-information request. Those documents reveal the following:

—A December 12, 2004, information note to the Minister of Economic Development and Trade stating, “MOHLTC proposed legislation will affect bars, restaurants and gaming establishments, particularly gaming establishments in Ontario border communities.” This note also states that analysis of the economic impacts in other jurisdictions “is either not available or inconclusive.”

—An October 12 minister's note stating that “Studies by health groups which claim positive impacts are likely flawed ... in cases where bar and entertainment data is lumped together with restaurants and fast-food businesses to show overall positive growth.” This note also states, “There will be some initial impacts on gaming and entertainment-based nightclubs. There will be shifts in the hospitality industry as some businesses close and new ones open.”

1650

The MEDT documents demonstrate particular interest in the province's gambling revenues. A March 31, 2004, briefing note to the minister warns that casinos will lose revenues if smoking is banned, particularly those in border communities. These reports note the following: Winnipeg's casinos experienced a 20% drop after going non-smoking; Reno, Nevada, casinos reversed a non-smoking policy after experiencing a 25% loss; Ottawa-Carleton Raceway slots lost 20% after complying with Ottawa's smoking ban; and Brantford's charity casino lost 18% after going non-smoking. Smokers will stay away from casinos, seek other options or spend less time playing. Gambling revenue losses would hurt the Ministry of Health's problem gambling strategy, host municipalities and the horse racing industry, and the province might be pressured to cover these losses.

Information notes to the minister last October and December also recognized there are other hospitality sector businesses that will suffer, and looked at several options to total bans. The list included the BC option; extending implementation of the total ban to 2007 or 2010; allowing restaurants and bars to have adult-only DSRs; permitting smoking periods in restaurants and bars after 9 p.m.; and granting waivers to establishments that suffer a 15%-plus drop in business.

The benefits listed for these options included fairness, demonstrating government understanding of business realities and recognition of businesses that rely primarily on a smoking clientele. The arguments against were that they would not be well received by the health community or the health ministry, that a key element of the tobacco control strategy is to de-normalize smoking, and that there are no scientifically defined occupational exposure limits to second-hand smoke.

What do these documents tell us? The government is aware of the economic impacts but is not admitting to it publicly.

There are viable options. The main reason for not even considering them is the health minister's position that workers are to be kept away from second-hand smoke even though there is not a scientific definition of what constitutes a risk. No one would argue that smoking does not carry serious health risks, but if we are now to go to the extreme step of denying smokers their own separate venues by using second-hand smoke as a justification, then it is fair to ask if such an infringement is really an appropriate response to the risk. This is used to justify not only banning clubs and DSRs, but to ban smoking in underground garages and outdoor winterized patios. The city of Toronto says an estimated 1,700 people die every year just from breathing the city's air and another 6,000 are hospitalized, but is the response to the air pollution risk enough to warrant a ban on cars or even industry and factories?

There are studies on both sides of the argument, including a long-term study conducted by the World Health Organization's cancer research centre that found no statistically significant increases in health risks.

What is more, Dr. Fenton Howell, the spokesperson for ASH Ireland, made some interesting observations in Toronto when he spoke to last year's tobacco control conference. Dr. Howell stated that the ban in Ireland was finally won by a report that said 150 workers died each year from second-hand smoke. He then went on to admit that this was a guesstimate arrived at by a consultant, and that it was not properly verified. "I'm the dean of public health medicine and I threw my eye over his statistics and sort of said, 'Oh, if James said it, it must be true.' And I didn't look too close, you know." That is the transcript of what he said at the conference.

The documents obtained under FOI show there are valid concerns about Bill 164. There are options to a total ban. There needs to be more study. Instead, though, the government is de-normalizing the smoker. It funds TV ads that show a woman rolling around in dog feces, implying that smokers smell.

On behalf of the members of mychoice.ca, I ask you to look carefully at all of the information, assess impartially, and recommend changes that will make Bill 164 fair, balanced and respectful to all. Thank you.

The Chair: Your timing was very good there. This round of questioning goes to the official opposition.

Mr. Barrett: Thank you to your organization for your presentation. How many members do you represent?

Ms. Daigneault: We have 18,000 people across Canada, 13,000 of whom are in Ontario.

Mr. Barrett: I don't know whether I have a copy of your brief or not. You mention the Ontario government's position through the Ministry of Economic Development and Trade. Did I hear you properly? You indicated that the government indicates that health group studies are flawed. Is that what I heard?

Ms. Daigneault: It did say that health group studies could be considered to be flawed because they lump in bars, pubs and the fast-food industry, like the Quiznos Subs and the Tim Hortons, to come up with their data. Mr. Fonseca mentioned earlier this afternoon that Ottawa has 181 new establishments, but if you look at the actual list, that does include Quiznos Subs, Tim Hortons and other types of establishments that aren't really like a pub or a bar.

Mr. Barrett: You made reference as well to the December 12, 2004, indication—I guess it's from the Ministry of Economic Development and Trade—where they have studies indicating an 18% to 25% drop in business for the gaming industry. That would be if the smoke-free Ontario legislation goes through. I'm curious. Does that relate at all to the \$400 million that has just been allocated to the Windsor casino? Is that connected?

Ms. Daigneault: I don't know, but I do want to clarify that that briefing note doesn't give a statistic on how much they think revenue will drop. They did indicate that if it's compared to other casinos and other gambling industries elsewhere, Winnipeg's casinos had a 20% drop after going non-smoking; Reno, Nevada, with a 25% loss, had to reverse its policy; Ottawa-Carleton Raceway

slots lost 20% after complying with Ottawa's smoking ban; and Brantford's charity casino lost 18%.

Mr. Barrett: You title your organization mychoice. I think we recognize that many people do feel that other people do foolish things on occasion or do unhealthy things. Where your thousands of members are coming from, is there an assumption that because people do make the wrong choices on occasion, government should be doing the choosing for people or for adults?

Ms. Daigneault: No. The choice should be up to the adult of whether or not the adult wants to quit. They don't need the government trying to shame them or punish them into quitting. A more appropriate response, if they really want people to quit, is to pay for their smoking cessation products, which is something this government had promised to do. I think that would be a more logical approach to encouraging people to quit. There's nothing wrong with the government encouraging or advocating a healthy lifestyle, putting all the information out there so that people know the risks associated with smoking, because there are serious risks associated with it. But when you start punishing them, forcing them, basically telling them they can't, that there are no establishments they can go to, and shaming them the way they do in the commercial of the woman rolling around in dog feces to say that they smell, I don't think that's the appropriate approach to try and encourage someone to give up smoking.

Mr. Barrett: Your analysis of the Ministry of Economic Development and Trade's documents—that minister is the minister for business, or small business. When the documents recognize the impact that government legislation would have on the revenue of the various businesses you mention, does the government also recognize any responsibility, or do they give any indication of a program of assistance, any help for these industries that would be losing revenue as a result?

Ms. Daigneault: Yes, there was an option put forth that there could be some sort of granting of waivers to establishments that suffer a drop in business. I think that option was indeed rejected. But there is that option in there, to talk about fairness. They talk about the BC option, about extending implementation of the ban to allow the bars to recoup the money they've put into DSRs. They talk about permitting smoking periods after 9 o'clock and they also talk about granting waivers to establishments that suffer.

The Chair: Thank you for your presentation this afternoon.

1700

WORLD TOBACCO MERCHANTS INC.

The Chair: I would ask World Tobacco Merchants Inc. to come forward, please. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard, and you may begin.

Mr. Elliot Gilbert: I'd like to thank the committee for letting me appear at this hearing. My name is Elliot Gilbert and I'm the president of World Tobacco Merchants Inc. in Toronto. I've been a cigar and tobacco importer for four years and have made my living in the tobacco industry for the past eight years. Prior to this, I had different positions within the hospitality industry for 17 years. I'm here to speak to you today not only on behalf of the industry I represent but also for others who are affected by this bill.

To begin, I'd like to state that I agree with most of the provisions of this bill. The banning of tobacco displays in variety and local convenience stores is understandable. This is the line in the sand that separates the market of cigarettes from cigars and pipes. There must be a differentiation to preserve a market that is rightfully geared toward adults. The Ministry of Finance does separate this in its application of the taxes, where they have cigarette taxes, cut and loose tobacco taxes and cigar taxes. A teenager will not go into a tobacconist and purchase a \$10 cigar, or a \$5 cigar, for that matter. They will, however, purchase a package of cigarettes for that money and get 20 to 25 cigarettes, instead of one. In fact, most tobacconists do not allow anyone under the age of 19 to enter their premises, and most sell only the more expensive boutique cigarettes, if any.

To wit, the banning of tobacco displays and smoking in tobacconists is not justifiable. First, as mentioned, no one under the age of 19 is allowed in a tobacconist's. Second, no one under the age of 19 is allowed in a tobacconist's humidor. Further, no consumer is allowed to touch any tobacco product, nor are the retailers allowed to recommend any tobacco product. Next, anyone working in a retail tobacconist is either a smoker or understands that this is an establishment devoted to smokers and smoking and, as such, should not accept employment unless they accept this as well as any health consequences that may follow, perhaps by signing a waiver.

As adults, we have the right to freedom of choice. Therefore, only people wishing to purchase tobacco products would enter these types of establishments. Prohibiting people from smoking in these establishments would not stop people from smoking. This will simply move them to their own homes or illegal establishments and summarily put legitimate businesses into bankruptcy. Finally, all that would be needed to satisfy the legislation would be to have an opaque background to any window display a tobacconist may have.

Next, let me address the issue of private clubs, such as Legion halls, tobacconists' smoking lounges, and restaurants with separate ventilation for smoking, or DSRs. These establishments cater to specific groups of people, many of whom are smokers. They frequent these establishments mostly due to the fact that they allow their clientele to smoke. Again, this is a choice for those adults who look for such establishments. Many tobacconists have smoking lounges for their clients to enjoy their products. Most do not allow smoking cigarettes. Within

the confines of Bill 164, these retailers would lose their investments, their livelihood, and perhaps more. I recommend that they be granted an exemption to this bill for the duration of their existence. I further recommend that tobacconists be legally required to affix appropriate signage indicating restricted access for persons under the age of 19. Additionally, affixing signage that indicates "This establishment allows smoking" would deter any conflicts with persons who choose not to smoke.

Restaurants, bars and their patrons are the next ones to be unjustly penalized. Laws have eliminated the right to smoke in all establishments, thereby taking the position that the majority of Canadians—the 78.4% who do not smoke—would impose their will on the 21.6% who do. To be just, a compromise can easily be reached, based on the Manitoba legislation. Not to allow bars and restaurants to have designated smoking areas with separate ventilation systems is unjust and prejudicial. It has been proven that HVAC systems exist that would provide exceptional results to satisfy reasonable governmental requirements. I recommend that these steps be taken, along with the legal requirement to affix appropriate signage indicating restricted access of persons under the age of 19. Additionally, affixing signage that indicates "This establishment allows smoking" deters any conflicts with persons who choose not to smoke. As for their employees, one would understand that, working in this area devoted to smokers, one should not accept employment unless they accept this as well as any health consequences that may follow, again perhaps by signing a waiver.

A simple solution for this Legislature would be to follow in the footsteps of the Manitoba Legislature. They have provided us with an opportunity to witness the benefits of economical compromises with portions of the tobacco industry. I will now quote from that piece of legislation regarding the exemption for tobacconists, private clubs and parts of the hospitality industry:

"The proprietor of a tobacconist shop and his or her employees and customers may smoke in a tobacconist shop to test or sample a product of the shop if it

"(a) is fully enclosed by floor-to-ceiling walls, a ceiling and doors that separate it physically from any adjacent area in which smoking is prohibited by this act; and

"(b) has a separate ventilation system if the shop is first opened for business after this section comes into force."

I recommend that any tobacconist be required to install a separate ventilation system regardless of their time of opening, and I further recommend that both points be applicable to all tobacconists, private clubs and hospitality establishments.

I want to thank you for your time, your ear and your ability to understand a situation while finding a compromise that will suit and satisfy all those concerned.

With me is one of our retailers, to whom I'm giving the floor.

Mr. Robert Bortlisz: Thank you, ladies and gentlemen. My name is Robert Bortlisz. I am a tobacconist; I

am a client of Elliot's. I'm going to keep it real short and sweet. I'm just going to read a brief letter, a copy of which is attached to Elliot's presentation.

I am a retail tobacconist in Toronto. In the last three years my business has suffered detrimental effects that can be directly attributed to various city and provincial bylaw, tax and legislation changes.

My colleagues, other independent tobacconists, have all reported the same effects. Some of our most respected retailers have lost their business and much of their life savings. I personally have drawn from our retirement savings twice to offset our losses and meet my tax obligations. I will most likely end up working as a Wal-Mart greeter in my declining years.

The Toronto bylaws on designated smoking lounges have done little more than to teach my clients that it's cheaper and easier to smoke at home. Many hold cigar socials in their basement or garage. This has cut deeply into my sales.

The last three rounds of provincial tobacco tax increases have convinced my clients that they are justified in bending the rules and have every member of their family carry in two boxes of cigars each on the return from holidays in Cuba, Mexico, the Dominican Republic and the southern USA. The federal government has worsened the situation by turning a blind eye to this 'grey market' and letting this slip through the border.

Further, to prevent some unscrupulous retailers from running an open till and pocketing PST revenues, the motor fuels and tobacco branch saw fit to roll the PST into the tobacco tax. The result has been that honest retailers now have a larger upfront capital outlay and a greatly reduced gross profit margin.

Now you are proposing to have yet another tax increase and shut down our cigar clubs and smoking lounges that we fought so hard for with the city of Toronto. I am not "big tobacco." I'm just a humble citizen trying to earn a meagre, honest living.

What various levels of government have done and are now proposing to do is a form of expropriation without compensation. Tobacco farmers have received compensation a number of times over the last 20 years. But what about us? The farmers will still have their land and tools, but all we independent ma and pa businesses will have is debt.

If you do not see fit to recommend a smoking lounge exemption for tobacconists similar to Manitoba's, then you must see fit to recommend financial compensation, as you will put us out of business.

Thank you.

The Chair: Thank you. This round of questioning will go to the NDP.

Ms. Martel: Thank you for being here today. Elliot, how many people do you sell to?

Mr. Gilbert: What's our market? There are approximately 700 tobacconists in Ontario alone. Out of that, 50% to 60% have smoking lounges. When I say a true tobacconist, I don't mean a convenience store or a grocery store that sells cigarettes. These are people who sell

cigars, pipes, accessories, pipe tobacco and boutique cigarettes, which are imported cigarettes, not mainstream Canadian manufactured cigarettes.

Ms. Martel: That's it in terms of their products? That's what they're selling?

Mr. Gilbert: Yes. Well, they do have accessory products—humidors and such—but the main part of their sales mix is tobacco products.

1710

Ms. Martel: And there are 700 in Ontario?

Mr. Gilbert: In Ontario alone, yes.

Ms. Martel: You said no one under the age of 19 is allowed in a tobacconist's. Is this provincial law, that you have to ask for ID?

Mr. Bortlitz: I'm the one who's actually involved in that. Between federal legislation, provincial legislation and various municipal bylaws, no one under the age of 19 is allowed in a sales area where tobacco is available, and they are not allowed in a smoking lounge.

Second to that, I myself do not even sell cigarettes. I have signs posted four times before they enter the main part of the store saying that I do not want anyone under 19 in my store. They are nothing but a nuisance, and they're a big problem with shoplifting. Most of the other tobacconists are the same. The few that do sell cigarettes, as Elliot pointed out, sell boutique brands that sell for \$15 or \$20 a package. This is not a children's market. We do not want or need any business from anyone under the age of 21, let alone 19. It just does not work for us.

Ms. Martel: Do you normally ask for ID?

Mr. Bortlitz: Yes. We are obligated to ask for ID. We are obligated to put up all the things that Elliot mentioned. We are obligated, under various legislation, to post signs all over the place warning that anybody under 25 will be asked, and has to be asked, for ID. I have personally gone further than that, posting signs at the entrance of the store saying that I do not allow anyone under 19 in the store.

Ms. Martel: How does your smoking lounge work?

Mr. Bortlitz: We actually run a private club within our enterprise. We have a separately devised smoking lounge—I installed that long before there was even talk of legislation—with separate ventilation to the outside, a separate air conditioning system. It's enclosed behind two doors. It's at the back of the store. The washrooms are at the front of the store. So this smoking lounge that I installed 10 years ago meets or exceeds any legislation currently out there regarding smoking lounges.

Ms. Martel: I apologize if this is a silly question, but are people using the smoking lounge to test the product they want to buy?

Mr. Bortlitz: Well, they have to buy the product first. Generally speaking, cigars are sold in singles, but on occasion, a person may want a sample.

Cigars are different from cigarette products in that you do not inhale. It is equated more along the lines of red wines and ports. It is more of a hobby thing. It is for pleasure. I would say the majority of my clients come specifically for relaxation. It's their one hour a week that

they can come out and get away from the world, relax, unwind and meet with similar people in the same circumstances. Most are business people in their 40s and 50s, and a lot are retirees in their 60s.

Ms. Martel: I appreciate the difference between cigarette smoking and cigar smoking, but I'm going to assume there's still a risk around second-hand smoke, regardless.

Mr. Bortlisz: To another smoker. There's absolutely zero risk to anyone else, because non-smokers are not even allowed on the premises anyway.

One of the ways in which my members feel I actually provide a service is that they do not want to smoke at home. They do not want to smoke in front of their spouse or children or grandchildren. Therefore, because most cigar smokers are only smoking from one cigar a week to one cigar a day, this is their little respite away from their family. If they did not have that, the majority have told me that they would not quit smoking; they would just find someplace else to go and smoke.

The Chair: Thank you. We appreciate your presentation this afternoon.

GREY BRUCE COUNCIL ON SMOKING AND HEALTH

The Chair: I now call the Grey Bruce Council on Smoking and Health to come forward, please. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Ms. Helen Risteen: I'm Helen Risteen. Hello, and thank you so much for the opportunity to speak. I represent the Grey Bruce Council on Smoking and Health, which is a coalition of agencies and volunteers. The Grey Bruce Council on Smoking and Health was instrumental in getting the smoke-free bylaws on the public agenda in Grey and Bruce and then getting them enacted in 2002.

As I was writing this, I realized how confusing our title is when one is talking about municipal bylaws, because there are so many different councils involved. However, when I say "council" here, I am referring to our own council, the Grey Bruce Council on Smoking and Health. I'll try to label the others with a more complete descriptor when I refer to them. I apologize in advance if there is any confusion over the names and my poor speaking.

We in Grey and Bruce have been following with great interest the introduction of the smoke-free Ontario bill, with all the ensuing debate both in support of it and against it. Watching all the back-and-forth articles in the paper and in the news, there's been a feeling of déjà vu. We in Grey-Bruce have been through this process before on a local level, and it's amazing how much of it is similar, just on a much larger scale.

As we've been following the debates, we have been alternating between two very different reactions. On the one hand, we're feeling smug. After all, we already have a bylaw, so people in Grey-Bruce are ahead of the game compared to those who don't have a bylaw at all. On the

other hand, there's been a very real sense of frustration. How long must we debate this before we do the right thing? Research after research, for more than a decade, has shown time and time again that second-hand smoke is extremely dangerous. How much more scientific evidence needs to pile up that shows the irrefutable harm that second-hand smoke does before we, as a province, move to protect people exposed to second-hand smoke in their workplaces?

Another source of supreme frustration for us is caused by some of the inaccuracies that have been put forward by the groups like Pubco and mychoice and their ilk. We see that the same part-truths and fearmongering are still as much part and parcel of their shtick as they were when we were trying to get our bylaws passed. If you believe half of what the tobacco-funded lobby groups want you to believe, you'd think that two thirds of the bars and restaurants in the province will be at risk of financial doom and will be forced to immediately close if the smoke-free Ontario bill passes. To use a quaint Bruce county term, what a crock.

If I might use Grey and Bruce as examples, I can reassure you that a good solid bylaw does not in any way translate into a loss of revenue for restaurants and bars. In fact, our experience is quite the opposite. Grey and Bruce counties also ably illustrate that a good gold-standard bylaw, as they call it, is so much easier to implement and much easier to enforce. For those of you who are interested in the financial side, our experience also demonstrates that gold-standard bylaws are also much more economical to implement and enforce.

To set the stage a little bit for you, I'll give you some background information. Grey and Bruce both passed bylaws that went into existence in September 2002, although the two bylaws differed in two key areas, which I'll touch on later. During the pre-bylaw stage, there were some interesting phenomena noted, the first being that this was an issue that really galvanized an amazing number of people. It's one of those issues where an awful lot of people had an interest and were willing to participate in the process in one way or another. There was a remarkable groundswell of people who came forth to assist with the distribution of pamphlets and to attend municipal council meetings, as well as to write letters in support of the bylaw etc.

The other phenomenon that surprised some people, and it is very important to note, is that we also had high levels of support from smokers, who said that they themselves would prefer to eat in a smoke-free restaurant or go out to a smoke-free bar or bingo hall or whatever.

By the time the September 2002 enactment date rolled around, there had been thousands of hours of volunteer time put into the effort, as well as hours and hours of time from the staff at the Heart and Stroke Foundation, the Lung Association, the Cancer Society and health units, among others. When the big day came, the big story was really that there wasn't a big deal being made about it. Many businesses had already gone smoke-free in the months leading up to the September enactment date, and the majority of the others were compliant.

The continuing story on the bylaws has really been one of very high compliance from bar and restaurant owners, for the most part. The Grey Bruce Health Unit was tasked with the enforcement of the bylaws, which they do with only two part-time tobacco bylaw enforcement officers, who do bylaw compliance for both counties. Together, Grey and Bruce is roughly 3,000 square kilometres larger than Prince Edward Island. It's a lot of territory to cover for two essentially half-time officers, but it's been workable because most places are compliant with the bylaws.

Of the two counties, Bruce's bylaw, with the class A exemptions, has caused more problems because of errors in interpretations etc. Of course there's been some acrimony from bar and restaurant owners in towns that are geographically situated close together but yet are in different counties, which brings me to the differences in the bylaws that I mentioned earlier.

Grey county enacted what is known as a gold-standard bylaw and included a smoking ban in residential nursing homes, whereas Bruce county did not include nursing homes and homes for the aged in their bylaw. Both counties banned smoking in workplaces, including bars and restaurants, but Bruce county allowed one exemption: Bars or restaurants with a liquor licence could apply for what is known as a class A licence. The successful applicants became known as class A establishments. When Bruce county's bylaw was written, the intent was that a class A licence would apply to the entire establishment; in other words, the entire restaurant and/or bar would have to comply with the special class A regulations. These class A establishments would then only have two requirements to maintain their class A licence: (1) they must possess a valid liquor licence, and (2) they are not to allow anyone under 19 years of age to enter their establishment, and there has to be signage to this effect on the doors.

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This type of bylaw, although not perfect because it does nothing to protect the health of those working in these class A establishments, would have at least had the benefit of being very easy and economical both to implement and to enforce. Either the entire bar or restaurant was to be a class A establishment or it was not. It also would have been easy for the public to identify which was which and therefore self-select, and enforcement would have been much more cut-and-dried.

Unfortunately, what ended up happening is that the bylaw was interpreted quite differently from what the authors thought they were saying with their wording. What we ended up with is a situation where owners are able to get a class A licence for a part of their establishment while still having the rest designated smoke-free. This has been a much more costly avenue than that of the original intent, because it then became necessary to inspect these establishments prior to granting the licence to ensure that there was separate ventilation for these designated smoking areas and that the washroom facilities were such that the patrons from the non-smoking

areas did not have to pass through the smoking section to get to the washrooms.

I'm sure you're able to see the other pitfalls that ensued as a result of this interpretation of the bylaw. This kind of bylaw clearly favours the larger establishments that are big enough to have that separate smoking room. And since the original intent was so different from the interpretation, there is no wording in the bylaw that stipulates the levels of ventilation nor any requirements that the ventilation needs to be tested at set intervals etc. In other words, we ended up with what are essentially designated smoking rooms, with no wording about what is considered adequate ventilation. It has also been difficult to enforce, because the doors to these rooms get left open, underage patrons drift over to the class A side etc.

All that being said, there has been an interesting evolution of the class A situation. One of the most telling developments is that originally there were something like 23 class A establishments when the bylaw was first enacted in September 2002, but since then, eight of these establishments have voluntarily given up their class A licence because they found they were not able to compete with the smoke-free places. They found that the majority of their customers didn't want the smoke, so they converted to smoke-free themselves. Again, in some cases the complaints came from patrons who were smokers themselves. Also of interest to many of you perhaps is that six of our Legions in the two counties have also voluntarily gone smoke-free.

Our experience is that bars and restaurants have not faced negative economic impact from the smoke-free bylaws, and certainly informal anecdotal evidence from bar and restaurant owners backs that up.

We've also had much anecdotal feedback from restaurant and bar employees who are very grateful to no longer have to work in second-hand smoke. Unfortunately, as I pointed out, Bruce county is still allowing some of its workers to be exposed to the dangers of second-hand smoke if they happen to be employed in a class A establishment.

I personally think that perhaps the most significant benefit of the bylaws in Grey and Bruce is that of its effect on young children. Now that smoking is not allowed in almost all indoor public places, it reinforces to children that smoking is not the norm. This denormalization of tobacco by restricting its use in public places is getting the message across to children and youth that these restrictions apply because smoking is not safe, nor is second-hand smoke safe.

Grey-Bruce is ready for the next step and is looking to the province for leadership. Not only do we need a province-wide gold standard bylaw, but the so-called power walls need to be banned so that this form of tobacco advertising is removed from view of our children and youth. We all know by now that the tobacco companies pay enormous amounts of money to convenience store owners to display inordinately large numbers of cigarettes. The sheer number of cigarettes displayed is meant to give children and youth the mistaken im-

pression that many more people smoke than really do. Let's label these displays what they really are: advertising, pure and simple. And we all know that the tobacco companies are expressly forbidden to advertise their products in Canada.

The Chair: You have about a minute left.

Ms. Risteen: I speak for many of the people in Grey and Bruce when I say that we applaud the government for developing the Smoke-Free Ontario Act, and I would implore the two other parties to support this bill in its entirety and to not water it down. I would like to think that the health of all workers in this province is highly esteemed by all three parties and that you would all strive to see that every worker in Ontario is equally protected from the dangers of second-hand smoke. Those folks who work in the hospitality industry deserve the same consideration as, say, government workers, who already enjoy smoke-free workplaces. Many, many municipalities have proven that smoke-free bylaws do work and that granting exemptions is not only inherently unfair to those workers and to many owners but is much more costly to implement and enforce than a gold-standard bylaw.

I thank you for your time.

The Chair: Thank you very much. This round of questioning will go to the government.

Mrs. Carol Mitchell (Huron-Bruce): Just so we have a sense of it, what is the difference in what we are proposing in our legislation versus what you've referred to as the gold standard that was implemented in Grey county?

Ms. Risteen: The gold standard in Grey county had only one exemption, and that was for Legions. And as I say, many of them have voluntarily gone smoke-free.

Mrs. Mitchell: Do you know the actual numbers, Helen, of who came forward voluntarily among the Legions?

Ms. Risteen: There were six, and there are 21 Legions altogether. Apparently, several others are considering it as well.

Mrs. Mitchell: You mentioned establishments that chose to go to the classification within Bruce county and then opted out. Would you please give us some details?

Ms. Risteen: Many of them just found they were losing business. In fact, one bar in Kincardine, my hometown, actually sold cigars prior to—they had their class A, sold cigars, and they were losing business. It's simple economics for them. We're a tourist spot. People were trying to come in, but you can't have anybody under 19. And they had complaints from many of their smoking patrons about the smoke.

Mrs. Mitchell: That's quite a change, and it was a voluntary change.

Ms. Risteen: It was a voluntary change; they had no complaints against them. Every year, class A establishments have to reapply for a licence. It's \$150. As long as they can show a valid liquor licence and comply with the rest, they get it. They just never reapplied.

The Chair: Further questions? Thank you for your presentation this afternoon.

ASSOCIATION OF LOCAL PUBLIC HEALTH AGENCIES

The Chair: I would now ask the Association of Local Public Health Agencies to come forward. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Larry O'Connor: My name is Larry O'Connor. I'm the president of ALPHA, the Association of Local Public Health Agencies, and I'm joined by Linda Stewart, the executive director of the association.

We are a non-profit organization that provides leadership to boards of health and public health units in Ontario. Our members include boards of health members, members of health units, medical and associate medical officers of health and senior public health managers. ALPHA advises and lends expertise to members on the governance, administration and management of health units. The association also collaborates with governments and other health organizations, advocating for a strong, effective and efficient public health system in the province.

On behalf of member medical officers of health, boards of health and the affiliate members associated with the Association of Local Public Health Agencies, we want to congratulate the government for introducing this long-awaited legislation to ban smoking in public places and workplaces in Ontario as part of a comprehensive anti-smoking strategy. Our members are very pleased to see a detailed and well-presented strategy that includes increased taxation, retail display restrictions, peer education and this smoke-free legislation. Each is a critical component of tobacco control, and each has been a subject of ALPHA's extensive tobacco control advocacy over many years.

ALPHA's position has been for strong province-wide legislation to eliminate the differences in public health protection from one part of Ontario to the next. ALPHA's members have committed an enormous amount of resources to enact local bylaws to protect people from involuntary exposure to smoke. They have laid the groundwork for the success of the province's legislation, which, if passed, will achieve what many of them were unable to do and offer exemption-free protection from second-hand smoke in enclosed public spaces. This will level the playing field. The food and beverage industry agrees with us that a level playing field is good for everyone.

Ontario currently has an unacceptable patchwork of local bylaws, with differing levels of protection of citizens from a known health hazard, depending on where they live. The long history of local boards of health and medical officers of health struggling to convince their municipalities to pass effective bylaws to limit public and workplace exposures to tobacco smoke is hopefully over.

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The tobacco industry and its fronts consistently counter health arguments by misleading assertions about

economic losses and rights and freedoms, which have led to exemptions and incomplete protection from second-hand smoke. Passage of Bill 164 will provincially legislate a standard to put an end to the inequalities in protection from this significant health hazard. Levelling the playing field will also remove an important economic lever from the tobacco interests. If DSRs are permitted in any way, shape or form, the playing field will not be level. These rooms are not effective; they do not protect workers or non-smoking patrons from exposure to second-hand smoke. Only larger premises with sufficient funds would be able to build them. Why should we allow these premises to buy their way out of laws that protect public health? Why are food and beverage industry associations pretending to represent their smaller members while still advocating a solution that is obviously so unfair to them?

The debate is not going to disappear, but the focus of this issue is and must always be health. This strong and comprehensive provincial legislation will return that focus to where it belongs.

While much of our most recent advocacy efforts have focused on 100% smoke-free public places and workplaces without exception, we are also very appreciative of the inclusion of a retail display ban component, especially given the challenges to similar regulations in Saskatchewan. We do not doubt that such displays are a powerful influence on purchasing habits, including those of youth, occasional smokers and smokers who are trying to quit. We believe that restricting these power walls will lead to decreases in use as well as changes in perception about the social acceptability and prevalence of smoking. We are strongly in support of a total retail display ban. This is the last means of direct marketing by tobacco companies, and it is difficult to accept that it's not aimed at children. A total ban would go a long way to correct perceptions about tobacco industry products being just like any other commodity. Huge power walls have misled the public, especially kids, about the acceptability and consumption of tobacco industry products. The tobacco industry always finds ways around limitations.

ALPHA members are community leaders in tobacco control, and as such we are looking forward to accepting our responsibility for implementing various components of the smoke-free Ontario strategy. Our combined efforts will certainly begin to reduce the enormous health toll that is taken by tobacco on tens of thousands of Ontarians every year.

We want to close by giving our thanks to the government and to all members of the Legislature for their support of this bill. With its passage and with all of ALPHA's years and years of work, the resolutions and the petitioning of the government, we'll finally be able to close the book on some of our advocacy efforts. So we certainly are very strongly supportive of the legislation.

With that, I'll open it to questions.

The Chair: Thank you. This round of questioning will go to the official opposition.

Mr. Barrett: Thank you, ALPHA, for presenting. At the beginning you state that you wish for "exemption-

free protection from second-hand smoke in all enclosed public places." Do you have a problem with second-hand smoke in outside public places?

Mr. O'Connor: We have focused on indoor exposure as opposed to outdoor exposure. Certainly limitation around entraceways can be problematic, but the intention is that all indoor public spaces would be totally smoke-free.

Mr. Barrett: As you say in the next paragraph, you've been fighting for bylaws to "limit public and workplace exposures to tobacco smoke." In British Columbia, they achieved that goal through ventilation systems that do eliminate second-hand smoke from rooms. Do you see any merit in that at all? We know that initially British Columbia passed a law very similar to the Ontario law and then within two months changed it so that you have the option of designated smoking rooms with proper ventilation. As Mr. Perley presented earlier, employees are only allowed to work in there 20% of the time.

Ms. Linda Stewart: I'd like to bring your attention to the fact that we've recently been studying the specifications for DSRs that BC has recommended. I'm afraid I don't have the results with me today, but we'll certainly get them to you shortly. Those results suggest that if all restaurants followed their specifications—they simply don't work. They leak; they allow for apertures for smoke to come out. So even where people feel they are achieving goals that have been set in terms of guidelines for building DSRs, there's still a lot of work to be done to make sure those DSRs are truly effective.

Mr. Barrett: We know the technology is there, say in mines or laboratories, where you have to have clean air, and airplanes replace the air every few minutes. So the technology is there, but your study indicates that they're not using the proper technology?

Ms. Stewart: That using the recommended technology is not as effective as we're often led to believe.

Mr. Barrett: That was a research study?

Ms. Stewart: It's a research study done at the University of Western Ontario using wind tunnel analysis.

Mr. Barrett: Wind tunnels? Some of the fans are very powerful, but I don't know about wind tunnels. They don't want customers plastered to the ceiling or anything like that.

Ms. Stewart: In the study, they can slow it down to replicate the environment in a restaurant.

Mr. O'Connor: One point I don't want you to overlook is the fact that even though the industry will say that you can do it at a safe level, it doesn't create a level playing field. A lot of places would like to have a DSR, but when you have a small one and you have a large chain with a good bank account, you're being unfair. From a business point of view, there's an unfairness to it. From a public health point of view, there is no safe level of second-hand exposure.

Mr. Barrett: We certainly have heard from business about unfairness. I guess there are 700 or 900 constructed in Ontario, and still being constructed, as we understand.

If the government were to take that away from them, they talk about a loss of 50,000 jobs. They talk about a loss of \$1 billion just in pubs and taverns.

Mr. O'Connor: When we've had the discussion with our members—and our members are boards of health from right across the province—some areas in the province have gone totally smoke-free, no DSRs allowed, within their health unit. That's what the municipal bylaw says. Some have gone with an approach that would phase them out. In our discussions at our board of health section meetings, where we get together and share information from other boards of health—an example is the Peterborough board of health. They introduced DSRs and they wish they hadn't, because all they did was create an unlevel playing field. When we've had that dialogue, they've said that if they had a chance to do it over again, they would never have put that in, even though they had a sunset clause.

Ideally, there would be no DSRs allowed at all. For the current ones, I guess it's up to the Legislature and this committee to make recommendations about sunseting all existing ones. But there should be no more created in the province of Ontario.

Mr. Barrett: I didn't get my question in, though, about compensation if this was taken away from these establishments, given the bankruptcies that are predicted.

Mr. O'Connor: Clearly, the government will have to decide whether it's something they should do. The handwriting has been on the wall for an extremely long time about where the government would be going and where health units have been going across the province. Most health units have been trying to achieve a level of smoke-free that didn't include DSRs. Most don't have DSRs. For those areas that have pushed their municipal politicians into bringing in a DSR component, they've done it at their own peril, because the handwriting has been on the wall. People certainly want zero exposure to second-hand smoke. They know there's a health cost to having a minimal amount of exposure.

The Chair: Thank you for your presentation before the committee.

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WIDE AWAKE: GENERATION AGAINST TOBACCO

The Chair: I now call on Wide Awake: Generation Against Tobacco to please come forward. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I'd ask you to identify yourself for the purposes of our recording Hansard.

Mr. Brian Dallaway: My name is Brian Dallaway, and I'm here as a representative of Wide Awake: Generation Against Tobacco. We're located at 1615 Dundas Street East in Whitby, Ontario, L1N 2L1.

Mr. Chairman and members of the committee, I'd like to thank you for letting me address you today. I was told

I'm the last deputation of the day, so I'm going to try my best to be brief but to the point.

We're a community coalition comprising the Youth Centre, which is in Ajax; the Oshawa Community Health Centre; YWCA, which is in Oshawa; Durham region health department; and Brock Youth Centre. As a coalition, we've combined our resources to assist youth in Durham region to fight back against the tobacco industry. To support this youth group, we provide yearly education sessions to raise awareness amongst youth about the predatory marketing practices of the tobacco industry, and then we assist the youth in implementing awareness campaigns in their own communities.

Today, we'd like to thank the province for introducing the Smoke-Free Ontario Act to update the Tobacco Control Act, 1994. Not only will children and youth be protected from second-hand smoke when in public places and workplaces, but this new legislation will protect them from tobacco advertising in retail stores by banning countertop displays. The banning of tobacco advertising is a significant step to ensuring that the next generation will live in a smoke-free Ontario.

Tobacco product displays in retail stores include everything from displays of packages on a counter to huge displays reaching the ceiling. These huge displays of tobacco products seen behind the counter in stores are commonly called power walls. While we applaud the proposed legislation for reducing advertising in retail stores, the language of the act does not prohibit power walls. We would like to see the province capitalize on this opportunity to eliminate this form of advertising, which is targeted at children and youth.

Canada has been a world leader in tobacco control and preventing youth from smoking. We've banned cigarette advertising and sponsorship nationwide. But still the tobacco industry is targeting our kids through product placement in movies and advertising in retail stores. The aim of these marketing techniques is not only to build brand awareness but also to normalize tobacco use, making it look like cigarettes are normal and commonplace. The truth, of course, is that only 25% of Durham region residents smoke, and those who do are exposed to a product that will kill a third of them.

The tobacco industry denies that they market their product to kids, but it's quite simply unbelievable that Canada's tobacco companies would spend over \$88 million each year on advertising in retail stores if they didn't believe it would increase youth smoking. Youth who attended the annual Wide Awake youth tobacco summit reviewed some previously confidential documents from tobacco companies, which allowed them to come to their own conclusions about the tobacco industry. Here's a sample of some of the quotes from the documents that have been uncovered, which we share with the youth.

One of them reads, "Is it morally permissible to develop a safe method for administering a habit-forming drug, when, in so doing, the number of addicts will increase?" It's from a document from 1978 in which

Lorillard Tobacco was looking into making a less hazardous cigarette. It was scandalous at the time, for the tobacco industry had not yet conceded that cigarettes were hazardous. By the way, ultimately they felt that it was morally permissible. The Wide Awake coalition doesn't agree, and we also don't believe it is morally permissible to market to kids in retail stores using power walls.

Another 1978 document from Lorillard reads, "The base of our business is the high school student." This is a quote from a document that looked at sales figures from their Newport brand. When youth see documents like this, they feel targeted by the tobacco industry. This isn't paranoia; they are targeted by the tobacco industry, because they are the base of the business. This is why it's so important to introduce legislation to protect them.

It's important that regulations be set in legislation rather than industry self-imposed restrictions. When faced with pressure, the tobacco companies often offer to implement half-measures and voluntary codes. An example of this: Philip Morris in 1992 stated, "[C]omplete the removal of roadside cigarette hoardings [billboards] on the Dubai-Abu Dhabi road and capitalize on this minimum concession as an example of voluntary self-regulation by the industry."

When working with youth, the question we hear most is, "Why does the government allow tobacco advertising?" I'm now proud to say that the government is ready to do something about it. I can understand that there are people who object to these proposed regulations, but ultimately, we have to ask ourselves if we think it's a good idea to promote smoking. Of course the answer is no, which makes the answer to banning power walls a resounding yes.

Thank you.

The Chair: Thank you for your presentation. This round of questioning will go to the NDP.

Ms. Martel: Thank you, Brian, for being here today and for making the presentation. Tell me, of the youth you work with—because you said you've combined your resources to assist youth in Durham region to fight back against the tobacco industry—how big is the issue of youth who are smoking and trying to quit getting access to programs that would help them stop smoking?

Mr. Dallaway: To help them quit? In Durham region, it's not as much of an issue, because recently the health department launched a "quit and win" program to help teenagers quit smoking. It was evaluated quite well, and it helped a lot of kids quit smoking. Despite that, as with most quit-smoking programs, it's often harder to quit smoking than it is to prevent someone from starting smoking, so a lot of the time the emphasis is put on prevention.

Ms. Martel: Were those youth involved in the project able to access—

Mr. Dallaway: The cessation?

Ms. Martel: Yes. Was this provided to them at some point in time, for a period of time?

Mr. Dallaway: Yes, it was provided in the communities. I'm thinking particularly of the Brock Youth Centre. They had about 12 people from their council attend a quit-smoking program.

Ms. Martel: What about in terms of the actual purchase of products that would help them quit, or access to methods to quit smoking such as acupuncture—

Mr. Dallaway: Nicotine replacement therapy and stuff like that? The issue of nicotine replacement therapy amongst youth is a bit of a controversial one. It's not one that's advocated by the coalition right now. The specifics are that oftentimes youth smoke at a much lower rate. They're not necessarily pack-a-day smokers. Often they're pack-a-week smokers, in which case they're not necessarily going to need the nicotine replacement.

Ms. Martel: I'm aware, in your presentation, of some of the recommendations you're making about power walls. One of the things that I regret the government hasn't done yet, in terms of its commitments on tobacco control, is to get some of the money out the door that was promised for smoking cessation programs. It was a significant amount that was promised, about \$46 million a year. Certainly that much money has come in through three increases in tobacco tax in the last two years. I think it is an addiction, and one of the things the government should be doing at the same time it brings forward this legislation is getting that money out the door, saying very clearly to people who are smoking, "We're going to make it easier for you; we're going to assist you. We're going to pay for some of the costs of these products to help you quit."

When I spoke in favour of the bill, I made it really clear that I don't know why the government doesn't do that at this time. The money's certainly available. Let's make good on that commitment and make good on it now, so you're saying to people very clearly, "We recognize that this is an addiction, and we're going to do everything we can to help you stop smoking."

Mr. Dallaway: I can appreciate that for the adult population, smoking cessation, aside from exposure to second-hand smoke, is going to be a really critical issue. As a youth advocate working with youth, the critical issue is prevention. We can't stress that enough. The coalition's name is Wide Awake. It was strategically picked by the students who attended, because they felt that previous to attending it, they were asleep to the truth. Being wide awake means not just that they're awake but that they're actively awake. They use this as an opportunity to spread the information they found out, which they previously had no clue about, to their friends and colleagues throughout their schools.

The Chair: Thank you for your presentation this afternoon. That concludes the number of presenters.

Committee, we will be leaving at 7:30 a.m. at the east doors tomorrow morning. Try to be prompt, please. For those who are driving, the clerk has maps of the location.

This committee is adjourned.

The committee adjourned at 1749.

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

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Also taking part / Autres participants et participantes

Mr. Norm Miller (Parry Sound–Muskoka PC)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Ms. Anne Marzalik, research officer
Research and Information Services

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Official Report of Debates (Hansard)

Friday 22 April 2005

Journal des débats (Hansard)

Vendredi 22 avril 2005



Standing committee on finance and economic affairs

Tobacco Control Statute Law
Amendment Act, 2005

Comité permanent des finances et des affaires économiques

Loi de 2005 modifiant des lois
en ce qui a trait
à la réglementation
de l'usage du tabac

Chair: Pat Hoy
Clerk: Trevor Day

Président : Pat Hoy
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Friday 22 April 2005

Vendredi 22 avril 2005

The committee met at 0903 in the Holiday Inn, Oshawa.

The Chair (Mr. Pat Hoy (Chatham-Kent Essex)): The standing committee on finance and economic affairs will please come to order. The committee is pleased to be in Oshawa this morning.

Mr. Jerry J. Ouellette (Oshawa): On a point of order, Mr. Chair: First of all, I'd like to thank the committee for coming to the riding of Oshawa to give Oshawa's perspective on this very important piece of legislation. I also thank the presenters today for bringing forward theirs. Thanks to the Chair for the opportunity to say thank you.

The Chair: It's not a point of order, but it is a point of interest and greetings.

TOBACCO CONTROL STATUTE LAW
AMENDMENT ACT, 2005LOI DE 2005 MODIFIANT DES LOIS
EN CE QUI A TRAIT
À LA RÉGLEMENTATION
DE L'USAGE DU TABAC

Consideration of Bill 164, An Act to rename and amend the Tobacco Control Act, 1994, repeal the Smoking in the Workplace Act and make complementary amendments to other Acts / Projet de loi 164, Loi visant à modifier le titre et la teneur de la Loi de 1994 sur la réglementation de l'usage du tabac, à abroger la Loi limitant l'usage du tabac dans les lieux de travail et à apporter des modifications complémentaires à d'autres lois.

ROBERT KYLE

The Chair: I call upon our first presenter of the morning, Robert Kyle. Would you please come forward? Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording, Hansard. You may begin.

Dr. Robert Kyle: Good morning, Mr. Chair, and members of committee. Welcome to the city of Oshawa in the smoke-free region of Durham. I'm Robert Kyle. For 14 years, I've been the medical officer of health for Durham region, and I'm here representing myself. I am accompanied by three of my colleagues, who may assist

with the questions and answers. To my far left are Joanne Bradley, manager of public health, nursing and nutrition with the health department, and John Ingrao, manager of environmental health with the health department, and to my right is Annette Laferriere, my administrative assistant. My slides are in the package, which I believe the clerk distributed to you, so if you need to make some notes or what have you, please do so.

I strongly support the provincial government's comprehensive tobacco control strategy, including the proposed Smoke-Free Ontario Act. I understand that the proposed legislation would prohibit smoking in all workplaces and enclosed public places as of May 31, 2006. The proposed act would also limit the sale, distribution and use of tobacco products.

As I said, we believe this is an important component of a comprehensive tobacco control strategy, which has as its main components prevention, protection and cessation. We believe the legislation will enhance our current tobacco control activities at the local level. Durham region's current tobacco control initiatives are part of a comprehensive approach. These initiatives in Durham region are designed to prevent youth from starting to smoke, reduce youth access to tobacco by educating the public and vendors and ensuring compliance with the current TCA, support tobacco industry denormalization, encourage parents to protect their children from second-hand smoke, assist people who want to quit smoking and protect people from second-hand smoke through the enforcement of Durham region's smoke-free bylaw.

I believe that second-hand smoke is a public health issue. I hope the Chair and committee are well versed in the health effects of second-hand smoke. Second-hand smoke is a serious proven health hazard. There is no safe level of exposure to second-hand smoke. It contains over 4,000 chemicals. Approximately 50 of these are known to cause cancer, and it's estimated that exposure to second-hand smoke causes between 1,100 and 7,800 deaths in Canada every year, at least one third of these occurring in Ontario. In adults, second-hand smoke causes heart disease, lung cancer and nasal-sinus cancer and in children, second-hand smoke causes SIDS, bronchitis, pneumonia and other lower respiratory tract infections, worsening of asthma and middle-ear disease.

I thought it would be useful to the committee to perhaps focus for just a moment on Durham's smoke-free experience. Durham's smoke-free bylaw was imple-

mented on June 1 of this year. The enactment of our bylaw coincided with phase three of York region's and the city of Toronto's smoke-free bylaws. Prior to this, there was a patchwork of bylaws throughout Durham's eight municipalities. To the extent that there was any regulation, it was of public places. Workplaces were not covered by the existing bylaws. This is similar to the current situation in Ontario, where smoke-free bylaws vary widely from one community to another in the level of protection they provide for workers and residents.

0910

Our bylaw was passed in December 2002 after an extensive public consultation. I might add that our smoke-free experience journey started in the spring of 2001, when Katherine Hastings, an elementary school student, came to a meeting of Durham region's health and social services committee with a petition requesting that all of Durham's restaurants go smoke-free. The Chair at the time and myself sent her petition to the eight area municipalities, and the city of Pickering requested that the region consider passing a regional smoking bylaw. At the time, the power to pass bylaws was vested with the eight area municipalities, so in fact that power needed to be uploaded to the region.

A public meeting was held in each municipality and people were able to phone, fax, mail or e-mail their comments. Over 1,400 residents, business owners and workplaces provided their input. The results of the public consultation were clear: A large majority of Durham region residents supported a smoke-free bylaw. Generally, throughout the consultation, there was little support for DSRs in public places and workplaces, and apart from five bingo halls in Durham region, there are no DSRs in restaurants or bars. People expressed concerns for the health of employees who worked in DSRs, and some commented on problems inherent with DSRs, including the cost of building and maintaining them, which in turn would create an unlevel playing field for businesses.

Since our bylaw was passed, what have been the results from an enforcement perspective? From June 1 to March 31 of this year—I'm sorry; I missed the middle section. During the implementation of the bylaw, we have been keeping track of public opinion through a monthly survey that we implement in the health department. Currently, almost one year post-implementation, the survey results show that support for the bylaw continues to increase. At the end of 2004, 88% of those surveyed supported 100% smoke-free restaurants, and 76% supported 100% smoke-free bars.

In terms of inspection, so far, from June 1 to March 30, we have conducted over 4,500 inspections. Only 15 premises have been charged under the smoke-free bylaw, and only 68 warning letters have been issued.

My last slide, then. In conclusion, again, I've spoken in support of the proposed Smoke-Free Ontario Act. Smoking is the number one preventable cause of premature death in Ontario. In fact, tobacco use accounts for the death of approximately 16,000 Ontarians each year. I

encourage the members to support this important piece of legislation.

I've distributed to the Chair and committee a portfolio that we produced to promote the smoke-free bylaw. We've also included in that package a copy of the regional smoking bylaw report that we prepared, which provides facts and figures regarding our public consultation. We've also appended to that some comments that we prepared as a result of questions being posed on the report by our area municipalities. Lastly, we have provided some facts and figures about tobacco smoking in Durham region.

With that, I'll conclude my remarks. Hopefully, I've stayed within the 10 minutes. I'd be happy to answer any questions the Chair or committee has.

The Chair: The first of round of questioning this morning with go to the official opposition.

Mr. Ouellette: Thank you very much for your presentation, Dr. Kyle. I very much appreciate that.

I have a number of questions for you, quickly. What's the bylaw that came in? There were a number that complied with that, and some of the smoking rooms that other areas have put in as well—not just so much the bylaw, but in other areas. They've put out a lot of funds for these. Do you think there should be any levels of compensation for those groups, organizations or businesses that complied with the requirements for the exhaust fans and the smoking rooms?

Dr. Kyle: I really don't have any opinion on that matter.

Mr. Ouellette: OK. One of the other things you said was that, in regard to SIDS, there was certainly clinical data. Do you have any studies or information that indicate that? Because we've heard a number of things as relate to SIDS being a number one cause of death.

Dr. Kyle: I would refer to the information in your portfolio. If that clinical information is not referenced, I can certainly provide that offline.

Mr. Ouellette: I would very much appreciate that.

Two other things: Do you think that the bylaw that was established in the region of Durham is effective enough in regard to this or do you think it needs to go further?

Dr. Kyle: There are a few gaps in the bylaw. I think it's a very good bylaw. As I indicated, our council decided to provide DSRs in bingo halls. After the bylaw was enacted, it decided to exempt the Great Blue Heron casino, and private clubs are excluded from our bylaw. There have been some difficulties in interpreting a "private club" and delays in the prosecution of charges related to private clubs that don't meet the definition within the bylaw. It's my reading of Bill 164 that it would address all of those current challenges with our bylaw.

That aside, I think the bylaw is a pretty good piece of legislation. I see Bill 164 augmenting it, as I say, in those areas that are not currently covered.

Mr. Ouellette: I know my colleague Mr. Barrett has some questions as well.

Mr. Toby Barrett (Haldimand–Norfolk–Brant): Thank you, Doctor. Why do you allow smoking in the five bingo halls and in the casino?

Dr. Kyle: That was the decision taken by council. It was based, in part, on the feedback they got from public consultations.

Mr. Barrett: The survey said to leave it in the casino?

Dr. Kyle: We received both, if you will, delegations at our public hearings, as well as written comments, primarily from clubs and organizations that are dependent upon the proceeds from bingo halls. Our council took that into account when it was deciding what should go into the final bylaw.

Mr. Barrett: How many charities would receive funds through—

Dr. Kyle: I don't have that information.

Mr. Barrett: About 40 for each one?

Dr. Kyle: I'd have to check our records. We would have a record of that, but I can't give you a number.

Mr. Barrett: You quoted, or maybe it's in the report, that there's no safe level of second-hand smoke. Whose research was that?

Dr. Kyle: Again, it's in the report. I don't want to give the committee any false information.

Mr. Barrett: It's in here?

Dr. Kyle: Actually, we have a 700-page report. I've given you just the text of this without the appendices. I'd be very happy to leave the full report. I obviously can't give all members of committee the full report, but I'll leave it behind.

Mr. Barrett: So that would contain research papers that indicate second-hand smoke—

Dr. Kyle: It would cite the research; it wouldn't necessarily include the actual research documents themselves, but we could make that available if it's cited in the report. I'd be happy to leave this report behind.

Mr. Barrett: Yes, if you did have research that indicated that, I'd ask for that.

The Chair: Thank you for your presentation. Before you leave, if you do provide information, if you would send it to the clerk and he will ensure that every member of the committee has a copy. I think the point was made that we did not need the 700-page report, but there was a request for some information. We'll ensure that everyone has a copy of that.

ROYAL CANADIAN LEGION, BRANCH 43

The Chair: The Royal Canadian Legion, Branch 43, if you would please come forward.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

0920

Mr. Doug Finney: Good morning, Mr. Chairman and committee members. Thank you very much for the opportunity to appear here today. My name is Doug Finney. I'm president of Oshawa Branch 43 of the Royal Canadian Legion. We have approximately 1,600 members, 400

of whom are veterans. I'm also the national vice-president of the Korean Veterans Associations of Canada. There are approximately 3,600 veteran members across Canada.

At the Oshawa Legion Branch 43, we still allow smoking, since we're a private club, in the areas of the clubroom and the darts/pool area. We also have no smoking areas: the auditorium, library, VIP room, the boardroom and the office area. These areas are cut off from the clubroom area. This fits in with our program.

The World War II veterans are in their early eighties, and some still smoke. It would be a hardship if they were not permitted to smoke and unable to visit their fellow veterans. These veterans received cigarettes through the Canadian government during WWII.

I smoked when I was 16, for only six weeks, and have not smoked since. Being one of the younger Korea veterans at 72, it does not bother me if they smoke. We too were supplied with cigarettes through the government during the Korean War.

We feel that the program to stop smoking is working, as we notice that sales have declined in the Legion. We sell them only for convenience. In 2002, we sold \$74,080 worth of cigarettes. That dropped in 2003 to \$52,078. During 2004, we sold \$40,700. This year, it is \$32,705. This is a drop of about 56% in four years, which we're pleased to see.

Over the last few months I've taken articles out of the USA Today newspaper about cities and states that are taking action to cause a decline in smoking. Most are cutting out restaurants, businesses and public areas like banks, sports arenas, shopping malls, restrooms and laundries. However, they continue to allow smoking in bars, the American Legions and Veterans of Foreign Wars clubs.

In yesterday's Toronto Star newspaper, Veterans Affairs Minister Albina Guarnieri tabled the changes in Parliament promising new veterans "cash, care and careers," and said that "caring for veterans is the signature of a grateful nation." With this proposal of no smoking going through, this would be a downfall to the minister's statement. In other words, "We support them, but do not smoke."

Are we starting a new trend here if we ban smoking, such as cigarette smuggling once again, by not allowing smoking in every available public place, forcing smokers back into their homes where children are and where there shouldn't be smoking?

Our Oshawa Legion members have signed the smoking petition. We have returned 46 sheets, with approximately 15 names on each, which is close to 700 people. That's about 43% of our membership.

A few Legions in this area banned smoking, which has caused problems financially, and some members' not renewing their membership. They are talking about closing their businesses. This is the same as some bars in the Oshawa area closing due to lack of business.

We are forcing local people out of their areas, to travel to meet their friends for an evening out, when they should remain local.

We urge you to keep targeting children with "No smoking," and let veterans and seniors have a couple of places where they may relax with their friends and have a smoke with their drink.

We feel that we should let veterans continue smoking, as they will not live that much longer. If they have smoked this long and are still in good health and still active, then let them be.

I strongly urge that we let our veterans continue on, enjoying themselves in the final years of their lives, especially given the number of years that they gave their service to Canada.

I thank you very much. I'm also very pleased that you would have this forum here today. I come down here every morning to go swimming, so it wasn't far to come.

The Chair: Thank you for your presentation. This round of questioning will go to the NDP and Ms. Martel.

Ms. Shelley Martel (Nickel Belt): Thank you, Mr. Finney. We appreciate that you're following a healthy lifestyle. Some of us should have come earlier to go swimming too, I suspect.

Let me say on behalf of everybody that we very much appreciate the sacrifices that were made by our veterans, and we appreciate that you came here this morning to speak on their behalf.

I have to tell you my personal view; I think you're entitled to know that. In my community, when the smoking bylaw went into effect, Legions were not considered private clubs, so all of the Legions in the riding I represent have been smoke-free for over two years now. That is an initiative that I personally supported at the local level as well. I want you to know where I'm coming from.

I say that because I'm in the Legions quite often. When I go into the clubroom, I see a mix both of veterans and their family members. I also see staff at the bar serving alcohol and food and selling Nevada tickets etc. When I come down to it, for me it was that there are staff who are there, and I think they need to be protected from second-hand smoke. As I look at the composition of people who are in the clubrooms in my riding now, overwhelmingly there are fewer veterans, obviously, and a lot of family members whom I also hope we are protecting from second-hand smoke.

That's where I'm coming from. I want to be upfront with you and say that that's the reason I have trouble considering Legions to be private clubs and I have trouble then accepting an exemption for a clubroom where I see employees who could be affected by second-hand smoke and where family members might be affected as well.

I don't think I have any questions. I appreciate the argument you've made to the committee, which is one that I think we're going to hear in other communities. I know that Ontario Command wrote to the Premier and to the Minister of Health and Long-Term Care and asked for some consultation before the legislation goes into effect. I've regretted that it didn't appear that the staff in the Premier's office or the minister's office had had a

meeting directly with Mr. Kish. Mr. Fonseca might want to say something, but at least in the correspondence we got from Mr. Kish, that didn't seem to have happened. I wish that had happened directly with him as a representative of Ontario Command.

I have to say that that's where I come down. I think we should be in a position where we don't have exemptions, because there are so many people in Legions now over and above veterans who I hope we're trying to protect from second-hand smoke as well. I just wanted to tell you that that is my position.

Mr. Finney: I support you 100%, but you say, "No exemptions." How come casinos can have them? How come certain spots—

Ms. Martel: Oh, I don't agree with that either.

Mr. Finney: If you're going to cut out smoking, then quit selling them. But if you're going to allow some and not others, then we have a problem.

Ms. Martel: I agree with you entirely. In my community there were no exemptions: not in the casinos, not in the bingo halls and not in the Legions. Even in nursing homes in my community there are no separate smoking rooms for residents in long-term-care facilities. So I agree with you that you either have the same rules for everyone or you're just going to have an ongoing problem with people wondering why some are exempt and some aren't.

The Chair: Thank you for your presentation this morning.

OSHAWA COMMUNITY HEALTH CENTRE

The Chair: I would call on the Oshawa Community Health Centre to come forward, please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Ms. Ana Pacheco-Rye: Good morning. Thank you for having us here. I'm Ana Pacheco-Rye, a youth health worker with the Oshawa Community Health Centre. I have with me B.J. Weston, Charlan McDonald and Renea Mattis. We are here to speak to you today on how current acceptable methods of tobacco advertising affect children and youth in our community. However, instead of my speaking to you on behalf of youth, I thought it would be better for you to hear directly from youth. So we have B.J., who's going to be speaking.

Mr. Brian J. Weston: Hello. My name is B.J. Weston. I'm a member of the Youth-to-Youth program with the Oshawa Community Health Centre. The Oshawa Community Health Centre's mission is to help people to increase control over and improve their physical, emotional and social well-being while assisting them to build a strong, healthy Oshawa: "Your wellness, our mission."

The Youth-to-Youth program offers me the opportunity to work with younger children in local elementary schools to cover and research topics that affect them. We have researched various topics, such as violence, rape

and poverty. One of the current topics that the children are researching is drug abuse and prevention, and why it happens. Tobacco is one of the drugs included under the list of drug awareness.

0930

In the role of a youth-to-youth facilitator, I am here to talk to you today about tobacco advertising and how it relates to the Smoke-Free Ontario Act. Specifically, I am here to ask that you ban tobacco advertising in retail stores so that youth and children in our community have a better chance at life.

There are a great many environmental and health concerns that our community, province and nation face. Included in this is adequate nutrition for youth, childhood poverty and air pollution caused by hydrocarbon combustion, which is causing climate change. In addition to these concerns is the role that tobacco has in our society and on the lives of youth.

Canada has been a world leader in tobacco control and helping prevent youth from smoking. We have banned cigarette advertising and sponsorship nationwide, but still the tobacco industry is targeting kids through product placement in movies and advertising in retail stores. The aim of these marketing techniques is not only to build brand awareness but also to normalize tobacco use, making it look like cigarettes are normal and commonplace. The truth, of course, is that few people smoke, and those who do are exposed to a product that will kill one in three of its users.

Tobacco products in retail stores include everything from displays of packages on the counter to huge displays reaching the ceiling. These huge displays of tobacco products seen behind the counter in stores are commonly called power walls. Power walls, in almost every convenience store, supermarket and gas station, contribute to youth believing that everyone smokes. Research shows that the more youth overestimate the popularity of smoking, the more likely they are to become smokers. A total ban on retail displays would remove one of the main forms of tobacco advertising and lead the way to a smoke-free Ontario.

The government has an opportunity to make a decision that will drastically reduce the number of youth who are exposed to cigarette advertising, and consequently from starting smoking. Please think of our children when drafting this legislation and the ban of all tobacco advertising in retail stores.

Ms. Pacheco-Rye: We have distributed some promotional items just to give you a black-and-white and coloured version of what we're talking about. One of those items was produced by a high school student body here in Durham region, Port Perry High School.

The Chair: Does that conclude your presentation?

Ms. Pacheco-Rye: Yes.

The Chair: Thank you. This round of questioning will go to the government.

Mr. Phil McNeely (Ottawa-Orléans): I think I'll just start off with this. What I want to talk about are power walls and I want to ask questions of the people.

Thank you very much for coming today. I'll just reinforce what you've said, in preparing for the question. Tobacco companies spend about \$27 million, mainly targeted at youth. If you add in other things, it may come up to \$200 million across the country.

Those who already smoke know where they can find cigarettes, and they'll continue to go and pick up cigarettes even if we do take the exposure of the power walls away. A survey in California of grade 6 to grade 8 students has shown that two thirds of youth visit these retail stores on a weekly basis. With the power walls and with the survey, the best they could establish was that there was a 50% higher likelihood that youth would smoke because of these power walls, because of this advertising. The tobacco companies obviously know this, and that's why they spend \$200 million across this country trying to get you to smoke.

In my own city of Ottawa, we've had the no-smoking bylaw for, I think, three years. It has been very much a success; we're very pleased with the no-smoking bylaw. But we did not address advertising toward youth. At high schools in Ottawa, young people like yourselves have 24,000 petitions, signed to ask the government to get rid of power walls, and we're hoping that's going to be delivered to the Legislature next Thursday, and we hope that they come forward as well. So we've had your peers doing this great job for us in the city of Ottawa to get rid of the advertising in retail stores.

As a government, through municipalities, we spend quite a bit of money on public health nurses to reach out to you people, to get you on board and have you do the work of stopping smoking for us. There are cessation campaigns as well that the government spends a lot of money on to stop people from smoking. As a government, we spend money to stop you smoking, but tobacco companies spend maybe 10 or 20 times as much to get you smoking. What do you think of that?

Mr. Weston: At least there's an effort going forward from the government to stop it, but obviously something has to be done by the government to stop allowing the tobacco companies to do that. If they're still spending more money, then it's obviously going to be more powerful than your efforts to try to stop smoking. Something has to be done about it.

Ms. Pacheco-Rye: Actually, to add to that, tobacco manufacturers in Canada paid \$77 million dollars in 2002 to retailers for retail display space, to give them prime retail space. I think that's more than you pay in Toronto for having a store on the main walk.

Mr. McNeely: Just one more question on that. In today's newspaper, it says that one of the presenters yesterday, I believe, is paid \$18,500 a year from tobacco companies for two power walls, five metres long by close to two metres high, that hold 280 brands. They're spending \$18,500, a lot of that to get you to smoke. Any other comments?

Ms. Pacheco-Rye: If you look at the black-and-white poster there, with the young child with his back to the photographer and his face toward the power wall, he's

about eight years old. What kind of impact is that going to have on a child? "It's OK because, look, it's in mommy's and daddy's grocery store. It's in the corner store that I run by and go to to get milk for dinner." It has a great deal of impact, subliminally, and right in front of your face.

The Chair: Thank you for your presentation and, on behalf of the committee, I would say you did very well.

CANADIAN CANCER SOCIETY, CENTRAL LAKELANDS REGION

The Chair: I would call forward the Canadian Cancer Society, central Lakelands region, to please come forward. I would remind you that you have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording, Hansard.

Ms. Helena Finn-Vickers: Of course. Good morning. My name is Helena Finn-Vickers. I am the outreach consultant for central Lakelands region. It's a geographic area of five unit offices that are staffed. I am a support person for staff in the Whitby office, the offices in Peterborough, Orillia, Barrie and Owen Sound. So we encompass quite a large geographic area.

Mrs. Chrissie Stokell: My name is Chrissie Stokell. I'm a survivor, an ex-smoker, and I've been a cancer society volunteer for 20 years.

Ms. Finn-Vickers: I'm here to congratulate the government on Bill 164 on behalf of the Canadian Cancer Society. I'm also proud to be here in honour of a Canadian Cancer Society volunteer who, last December 15, the day this legislation was called, unfortunately lost his recurrence with lung cancer. Don Dusenbury was a very powerful motivator in the work that I do with the Canadian Cancer Society. He embodied the mission of the organization, which is doing everything we can to eradicate cancer and enhance the quality of life of people living with cancer. He lived that, after a very long battle with lung cancer. He was an amazing volunteer who supported other people newly diagnosed with lung cancer, but his passion was discussing tobacco legislation and working toward the municipal bylaws wherever he could. He spoke at meetings. He would have been the first person, when I put out a call, to say he would be here today. So in his honour, I speak to you today.

0940

The protection of all people from second-hand smoke is so important. Second-hand smoke is a huge health risk to individuals of all ages. Not only am I a staff person, but I'm a mother of two beautiful little girls whom I will do everything in my power to protect in whatever way I can. I speak to you today on their behalf as well. Providing them with protection so they are not exposed to second-hand smoke in any public place is very important to me.

Second-hand smoke kills. I'm sure you've all seen the statistics. The Canadian Cancer Society—cancer.ca—site is full of information. I'm not here to relate statistics to

you today, but what I do want to say is that it is so important that Bill 164 does pass, that we do something about not allowing designated smoking rooms or ventilation of any kind in this bill. Designated smoking rooms are inadequate. They do not protect people's health the way, in theory, they should. We know that they simply don't work, and ventilation does not work. The region of York studies: 103 different designated smoking rooms were checked and 78% of them failed in their operation. That is a scary statistic.

The Canadian Cancer Society also urges this government to protect all youth from tobacco advertising and promotion of any kind. I am again speaking to you as a mother. My older daughter is seven and a half. She's a very astute watcher of people and of what's going on around her. She and I have talked about the dangers of smoking because, again, I will do everything I can to reduce their risk in whatever arena we are in. They wear their hats and their sunscreen when they're outside. I will protect them from the sun. I will protect them by their knowledge of why smoking is dangerous for themselves and why second-hand smoke does kill.

We were in a local—I almost said the name—convenience store buying bubble gum. What does my seven-year-old say to me? "Look at all those coloured packages, Mummy. They're bad for you, aren't they?" She saw all the cigarettes. That's the first thing she looked at, but she knows they're bad for her. I'm proud of that fact. As long as I can, I will try and help them understand that information, but it's because I take the time to share that message with my children. If this bill is enacted, parents will have one less thing they have to focus on to protect their children. Please, bring in this bill.

Don Dusenbury, our volunteer who died last December, spoke from the heart as a cancer survivor and as someone who understands the danger of smoking. I hope all of you have seen his commercial from a few years ago where he talked about not only his own experience but losing his son to lung cancer. That devastated Don. That motivated him to be a voice for the Canadian Cancer Society. If, in any small way, I can be a voice to say, "Please, protect our youth, protect all people from smoking and the dangers of second-hand smoke," call on me any time and I will take up Don's challenge.

I want you to hear from our volunteer Chrissie Stokell.

Mrs. Stokell: The reason I joined the Canadian Cancer Society was partly because of the support that I had received and mostly because of the message that it gives me the chance to bring to so many members of the public because I'm one of the people who goes out on their behalf and speaks to people.

I grew up in India and Africa, in many African countries. I was born in 1942, so you do the math. At the time we were in Africa and India, smoking was regarded as being a health protection. Parents were encouraged to smoke close to the children because it helped to keep the mosquitoes away and therefore we would have less risk of malaria. The doctors we saw smoked in their offices because it was believed by them that it would reduce the

risk of cross-contaminating patients with the illnesses we were exposed to. So smoking was supposedly a benefit.

My parents were chain-smokers. The only thing that was said to me about it was, "If you eventually smoke, you will have no money." That's very true. I smoked until 20 years ago when I was in hospital with an undiagnosed complaint that turned out to be, "Mrs. Stokell, we're sorry to tell you this, but you have a malignancy in your liver. The damage is very severe. There is experimental surgery available, which might save your life or it may kill you." It took 364 days in Wellesley Hospital for me to be the person you see now, attributable to cigarette smoke.

Cigarettes, once in the mouth, travel through the entire body. Lung cancer isn't the only thing. Both my parents died of cancer. My brother is currently fighting with liver cancer, having had prostate cancer. My husband was a smoker until he was diagnosed with thyroid cancer two years ago; that was removed. He had prostate cancer last year; that was removed. We are both now survivors. Our daughter was diagnosed with breast cancer. Our younger daughter died of cancer—all from a smoking atmosphere.

I went cold turkey as a non-smoker the day I was told that I had severe liver damage. Now when I walk into a variety store and I see the power wall there, I want to tear it down, for the simple reason that there is still the urge once in a while—not every day but once in a while—to buy a package. After all, it's just one pack, isn't it? That one pack could start the habit all over again. When I walk out of the store and I see a child smoking, particularly a child, I want to rip the cigarette right out of their hands. I know I can't do it, but that's what I want to do to protect them.

As far as the designated smoking rooms are concerned, we think we have an answer. No, we don't. That smoke travels all through the building. Look at any wallpaper, any chandelier. If there's a smoking room in the building, you'll find smoke right through all of it.

The thing I object to most is that if someone smokes near me, I have no option but to inhale that smoke, second-hand and first-hand. If I want to have a drink, I can have a drink and not affect anybody else. If I want to have a cigarette, then I pollute the atmosphere and we're all victims.

Now that I'm fit and healthy, I want to stay that way and I want to see as many people as possible stay that way. I don't want to see cigarettes anywhere.

I also don't like the double message, because while cigarettes are going up in price and the taxes are being collected, there are also advertisements on television asking people not to smoke. This is a very mixed message.

The Chair: Your timing is impeccable. We'll move now to the official opposition, Mr. Barrett.

Mr. Barrett: Thank you to the cancer society for the presentation. You mentioned India and Africa. I know from personal experience that it does keep mosquitoes away. I use the green mosquito coils that you ignite in your tent. There's smoke. I'm wondering if we should take a look at that.

Ms. Finn-Vickers: Again, you've still got smoke.

Mr. Barrett: That's exactly what I'm saying. I'm not sure how many chemicals are in those green mosquito smokers that we use in Ontario.

Much of the tobacco coming into Ontario does come from India, Africa and China. A lot of it doesn't come in legally. From testimony that we heard yesterday, apparently we have no idea what insecticides, fungicides or herbicides are used on this tobacco grown in tropical countries. Has the cancer society done any work on that? We talk so much about the constituents of tobacco smoke.

There might be another assumption here as well. I don't know whether I heard you talk about, if this bill is enacted, your concern about the power walls: The Liberal legislation we're debating today doesn't get rid of power walls.

0950

Ms. Finn-Vickers: That is why, sir, we're asking that this be excluded from your bill. I believe there has been some information shared with you—was it yesterday?—by the Canadian Cancer Society. Clause 3.1 (1) (c): "except in accordance with the regulations." The Canadian Cancer Society would like to see that taken out of the bill.

Mr. Barrett: That would be an amendment you're putting forward or requesting.

Ms. Finn-Vickers: I believe we're requesting it.

Mr. Barrett: Yes. On the second-hand smoke debate, you make reference that it's a huge risk, that second-hand smoke kills. We've heard figures of 16,000 for smoking tobacco. Do you have the numbers for second-hand smoke?

Ms. Finn-Vickers: In 2000-01, the Canadian community health survey suggested that more than one quarter, or 28%, of Canadians are exposed to second-hand smoke, and that a non-smoker exposed to second-hand smoke has a 20% increased chance of developing lung cancer. As our volunteer mentioned, it's not just lung cancer we're concerned about. There are so many health issues with second-hand smoke.

Mr. Barrett: Is that 28% from coroners' data, like death certificates? Where do these death probabilities come from?

Ms. Finn-Vickers: I don't know if they're death; they are the increased chance of developing lung cancer in a lifetime.

Mr. Barrett: You don't know where they came from, though?

Ms. Finn-Vickers: The Canadian community health survey, sir.

Mr. Barrett: Oh, a survey. That's what people assume. People said that in the survey.

Ms. Finn-Vickers: Those are the data they collected, yes.

Mr. Barrett: It's not based on scientific evidence, though. It's not that a researcher indicated it caused lung cancer by 20%.

Ms. Finn-Vickers: I believe it would be a research-based survey, sir.

Mr. Barrett: Will you try to find out what the research is, who wrote the papers and who published them?

Ms. Finn-Vickers: We could get you that information, if it's something we could forward to you.

Mr. Barrett: Certainly. I guess you would forward it to the clerk of the committee.

Ms. Finn-Vickers: Certainly, thank you.

The Chair: We have about two minutes left.

Mr. Ouellette: Thanks very much for your presentation. A quick question: This is a legal activity, and we're kind of dancing around this. Don't you think they should just ban the whole activity?

Ms. Finn-Vickers: Ban the use of tobacco?

Mr. Ouellette: Yes.

Ms. Finn-Vickers: The Canadian Cancer Society certainly isn't going to get into the legal rights of individuals. We're talking about a health issue. We have great concern for the health problems of people using tobacco, especially second-hand smoke. The Canadian Cancer Society will do everything in its power, through its staff and its volunteers, to promote risk reduction. Eliminating the use of tobacco, of course, would be a huge risk reduction for developing cancer. That's just one disease.

Mr. Ouellette: OK.

Ms. Finn-Vickers: Personally: absolutely. That's not speaking on behalf of the Canadian Cancer Society.

Mr. Ouellette: It's that we've created a society where we have—a tobacco country riding is where Mr. Barrett is essentially from; a lot of people have their lives dependent on it. We have grocery stores, variety stores that are dependent on this as a major source of income. How do we move forward to get where we need to be, and that's to compensate those individuals or find alternatives as a society? Effectively, we've created this entity. How do we move to other areas? I was just asking your opinion on what you thought and how we would achieve those goals. Thank you.

The Chair: Thank you for your presentation this morning.

JACK'S SALOON

The Chair: Jack's Saloon, will you please come forward? Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Kevin Taylor: My name is Kevin Taylor. I'm representing Jack's Saloon and my son Kevin Jr. He's the owner-proprietor.

We bought this business in January 2001 from a previous owner, obviously. How we got into it is a long story. My son Kevin was playing pro hockey down south, and he was sent home with a broken hand. I was watching a 22-year-old kid go through basically a mid-life crisis. This opportunity came up, and we jumped on it. Unfortunately, I was the one who put the money up for it.

In any case, we've had our ups and downs over the last four years. When this smoking bylaw reared its head—I guess it really took hold last year, at the beginning of 2004—quite frankly, I was thrilled. On occasion, I'd go into the bar and have to change the air filter in the furnace, on a monthly or 45-day basis. Quite honestly, the filter came out black. It is a small bar, I should say; it's licensed for 75. It's at 432 Simcoe Street, just north of the Legion. I'd make a joke about all the black smoke going into the smokers' lungs. In any case, if I neglected to change the filter, say, after 45 days and it went to a two-months-plus basis, I would literally have to pick the filter out of the furnace. Of course, I was concerned about my son's health, with the second-hand smoke. Everybody in my family is a non-smoker.

On occasion, I would get into the bar on a Saturday night to watch a period or two of the hockey game—when hockey was being played—and by the time I got home, I would have to leave my clothes in the garage and have a shower before I was allowed in the house. So when this smoking bylaw presented itself, as I said, I was thrilled.

I have a problem initially with the date, June 1, because being a small establishment, we had no patio. I felt that the bars that had patios or enclosures put us at an unfair disadvantage. The only place where you could have a cigarette at our establishment would be on Simcoe Street on the sidewalk or in the back parking lot. But I thought that, over time, this would level itself out.

From June to December, the business did not pick up. My son Kevin has basically maxed out his line of credit to keep things going. I personally have had to pick up the rent the last three months in a row. This April is the first time the bar has paid the rent with a bar cheque. Six weeks ago we had a couple of our regulars filling out applications for Legion membership, and I thought, "This is enough."

I should back up here. Back in the spring, my son and I got into a bit of a discussion about this non-smoking. The private clubs, the Legions, the bingo halls, the casinos were being exempted. I certainly wasn't going to take on the Royal Canadian Legion. These poor guys put their lives on the line for us so we could be here today, and if some 80-year-old gentleman or lady wanted to have a cigarette, I felt that they're entitled to it. If my grandfather were still alive, if he wanted to come into this hearing and have a cigarette, in my mind he's entitled to it. He's fought for this country. He deserves it.

The problem I have with these private clubs, and particularly the Legions now, is that they're not actively recruiting members but they're not turning anybody down. As I said, we're within walking distance of one. When these two patrons were filling out this application, I'd had enough. I walked across to the Legion. It was the first time I'd ever been in this Legion. Obviously, I was lost. I walked into a couple of rooms that were empty. I finally found the bar and ordered a draft. I was not asked for membership, a signature—nothing. I had my beer, left, and phoned the health department.

Since then, I've played hockey with a fellow who's a member of the Navy Club. He says that on occasion when he gets into the Navy Club, he sees a lot of strange faces that he's never seen in the last dozen years that he's been a member there. And, of course, they're all smokers.

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At the French club down the street from us—I was not even aware that there was a French club. In any case, we have another patron that's an accepted member in the French club. I don't mean to be snide but I'm surprised, as this fellow could hardly put two English sentences together, but he's now a member.

All we're looking for, as are, I think, most of the bars and restaurants in the Durham area, is a level playing field. These so-called private clubs—and I'm not saying the Legion is a so-called private club. I hate using them as an example, but I have no choice. I have it on good authority that the Legion on north Simcoe Street, from June 2004 to November 2004, accepted and approved over 230 new memberships. Small wonder why the establishments up in Oshawa north, like Jack's Filling Station, no relation to us—Mickey Finn's is closed, the Tartan, the Village Pump; they're all experiencing difficulties in their operations, and I know where their patrons are.

In closing, we just want a level playing field. You can't allow somebody to sell something—i.e. cigarettes—and consume them in one location, and bar it from another. As I see it, you have one of two choices: You either tighten up the controls, tighten up the legislation, or loosen it. Allow us to operate as we see fit. I know in this province that's not going to happen. Thank you.

The Chair: Thank you. This round of questioning will go to the NDP.

Ms. Martel: Thank you for coming this morning. I'm not sure if you were here for the earlier presentation by the Legion.

Mr. Taylor: No, I wasn't.

Ms. Martel: I wanted to just tell you a little bit about that exchange. In my community, when the bylaw went into effect there were no exemptions. I'm from Sudbury, and there were no exemptions across the community. So there was no consideration of either Legions or bingo halls or other establishments to be exempt from the bylaw. Everyone was on the same level playing field. I said to Mr. Finney, who was here this morning representing the Legion, that my own personal view was that there should be no exemptions to the bylaw. That was not what took place in our community and I think we were better off for it. He agreed that if there was to be a ban, it should be for everybody. So I'm not sure which Legion is his in relation to where your son's bar is—

Mr. Taylor: Within about 200 feet.

Ms. Martel: He said this morning that if there was to be a complete ban from all workplaces and from all spaces, that should include everyone: charities, Legions, bingo halls etc. That is my position. I think you are quite right that it is not a level playing field right now, and I'm

sure that in other communities where there were DSRs that were allowed or where there were exemptions, they've probably seen the same pattern of patrons moving, as you've experienced in your bars. From my perspective, coming from a community that operated without exemptions, that was the way to go. That is the way this legislation will go and I think that's the right thing to do.

Mr. Taylor: Even with the DSRs, I had some problems with the initial date being June 1 last year because we don't have a patio. We have no provisions for a patio, so the larger establishments that had DSRs and patios all of a sudden had an advantage over us. Fortunately enough, they were far enough removed from Jack's Saloon that it didn't hurt us too bad, but it still hurt us.

Going back to what you were saying regarding the ban in Sudbury, I played hockey in northern Ontario and I roomed with a gentleman who's now part of the OPP in Dryden. You're familiar with where Ear Falls is. Ear Falls, according to my friend Murray, had three licensed establishments: two bars and a Legion. There is only one establishment in Ear Falls that is serving liquor today. The other two, obviously, are out of business. The other two, I should say, were forced to go non-smoking because of the municipality, where the Legion was exempt. As I say, I don't want to take on the Legion.

Ms. Martel: I don't think anyone wants to put it in a perspective of taking on the Legion. I think the perspective I've tried to bring to it is that the Legion, club room included, is a workplace. It's true that veterans come there, but it's also true that many other people come there, including families of veterans. But it is also a workplace, so someone behind the bar who is selling alcohol or food or Nevada tickets is then exposed to second-hand smoke. The way I've tried to approach this legislation is that I see it as a piece of legislation that is put in place to make sure that employees and other members of the public are not exposed to second-hand smoke. I think that's the way to look at it.

Mr. Taylor: We even lost an employee because of non-smoking in the bar. She went to a private club so she could smoke while she worked. It's very ironic.

Ms. Martel: It is. Thank you for being here today. I don't have any further questions. Other members might, though.

The Chair: Thank you for your presentation.

PETERBOROUGH COUNTY-CITY HEALTH UNIT

The Chair: Would the Peterborough County-City Health Unit please come forward. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Ms. Ingrid Cathcart: My name is Ingrid Cathcart. I'm very pleased to be here today. I work for the Peterborough County-City Health Unit. I have been re-

sponsible for the implementation and enforcement of Ontario's Tobacco Control Act since 1994. That led to my role as officer in the enforcement and prosecution of cases for Peterborough's smoking bylaw. I myself have laid close to 700 charges in all areas of tobacco and smoking offences.

Our bylaw began in January 2000, along with the cities of Waterloo, Windsor and Guelph, but unlike other jurisdictions, in Peterborough, bar and restaurant owners were allowed the option of a designated smoking room. This was a political compromise. Today, we are in full compliance with our bylaw. However, 10% of our bars and restaurants still have designated smoking rooms, or DSRs. In Peterborough, these DSRs have caused and will continue to cause us huge problems until they are gone. Some of these situations arose, and we couldn't even see them coming. The ingenuity of some owners is boggling.

Today the health unit and most, if not all, of our politicians recognize these problems and would not allow smoking rooms. I could easily spend half a day here outlining the issues, but this is not the place. So I hope you'll consider a few points I'd like to make.

Many smokers report that they don't like smoking rooms and can do without. The rooms are simply too smoky for smokers. Their friends won't accompany them in and they're embarrassed to go in.

DSRs are very expensive to construct properly. We know how tough it is in the bar and restaurant industry, which is why all but a few of our DSRs have been installed correctly, and even with the proper permits. Some appeared overnight. This has caused major problems and, trust me, for our legal department, costly ones.

Politicians believed these DSRs would calm things down and be seen as a compromise, but what actually resulted was hostility and resentment, because we upset the level playing field among establishment owners. You see, not every establishment has the cash, the space or the landlord who will allow these renovations. In addition, it's reported many times from owners that they saw their regular customers leave to go to a competitor where they could smoke.

The vast majority of bar and restaurant owners today believe smoke-free is completely feasible, as we have lived it since 2000. The major bars tell me it will be easier to send people outside than cram them into a little room. All the bar owners want—and believe me, I know them all personally—are the same rules for everybody.

I'd like to speak to what I know best, and that's enforcement of smoking legislation. I think I've seen about all the scenarios and problems.

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If you're a jurisdiction where DSRs exist, you will be swamped with them. Owners and customers leave doors open to the DSRs, resulting in complaints. Owners don't clean the filters or change the filters in the units, causing them to malfunction. You'll get many complaints because owners don't turn them on. We live in Canada; it gets very cold. Ventilation systems draw out hot air, which is replaced by warmed air, which is expensive.

Even if those owners turn them on in the winter, they'll get complaints from their customers because the ventilation we require causes drafts in these rooms. They don't want to offend their customers, so they don't turn them on.

These are very difficult complaints to enforce, because the evidence is very fleeting for prosecutions and it's very difficult to obtain. We can't measure the efficiencies of these units on the spot, and that puts us in an impossible situation. It's not fair to give this sort of enforcement to health units, because I can tell you, as a health inspector beginning 25 years ago, we're not trained for this. If you get your building inspectors involved, as we try to, they can only take it a tiny bit further. They can't solve these issues. They can't measure. They're not much more effective. Ideally, mechanical engineers need to be involved at every prosecution, at every measurement, and that realistically translates into a lot of money. We didn't have that money in Peterborough, so we have an ongoing poor situation.

If one is tempted to enforce this lightly, you can't, because the complaints flood in. They come in from staff, who won't tolerate it, and they come in from other businesses, who are very upset—again, the level playing field. We're playing with our businesses and hence their very lives.

These DSRs in Peterborough have sullied the wonderful accomplishments we have made in Peterborough, with over 90% of establishments totally smoke-free. We've come a long way. You don't need DSRs. We know this by the studies, and in Peterborough we know this by experience since 2000. The public is firmly planted behind all of us. Smoke-free is best. I know owners of six businesses today who are depending on the removal of these designated smoking rooms in 2006. They want to blame you so they don't offend their customers. They asked me to pass you that message. They've had them since 2000. They feel they can't. Please remove them.

Those of us who have been in tobacco for many years know that we're criticized whenever we do anything new. Opponents are loud, but they are few. The way I look at it, if you're going to be criticized anyway, at least do the right thing and let's get this over with.

But in the end, I'd do cartwheels around this place, because the biggest point I need to make is about the health of the workers, those who will be affected without the complete removal of these DSRs. I hope none of you believes that even if you give some power to an individual in this new legislation for the right of refusal in these rooms, it will solve the problem, because that's idealistic and unrealistic. The reality is that many workers are so dependent on their jobs and so afraid of repercussions that it will be the rare worker with the kind of courage and support required to take this move. In Ontario, most legal proceedings take a lot of time, and the workers can't wait for this support that the legislation promises to give them.

In Peterborough, in spite of our good intentions, we've made it worse for some of our workers. Those needing to

enter into these rooms enter into areas of highly concentrated smoke, or perhaps we should call them what they are: rooms filled with carcinogens. These workers haunt me, with their grey faces and coughs. We are all they have, and I hope you remember them.

The Chair: Thank you. This round of questioning will go to the government.

Mr. Peter Fonseca (Mississauga East): Thank you, Ms. Cathcart, for your presentation, and the Peterborough County-City Heath Unit for having taken steps toward a smoke-free Ontario. We want to take that one big, giant step forward to making sure that we protect all Ontarians and make this a smoke-free province.

Often we'll talk about the costs of smoking on Ontarians in terms of 16,000 lives a year, but also we talk about the economics: \$1.7 billion in direct health care costs and \$2.6 billion in lost productivity and on and on. But I wanted to ask, have you ever quantified how much it's costing in Peterborough or in the province—I'm not sure if I've seen that number—around inspections, all the paperwork, all the administrative work that it takes to keep this patchwork quilt alive across the province? I'm sure it goes into many millions of dollars.

Ms. Cathcart: That's right, and the more complicated we make the legislation with exemptions, the more costs we're into.

I think Peterborough represents many areas of Ontario. Some health regions and health units have legal departments within them and it makes it a lot easier for prosecutions for complex legal situations, but much of Ontario is covered by small health units with no legal departments. Requiring the engaging of outside solicitors is sometimes up to \$500 an hour. So I'm here speaking for what I believe in, which is removal of designated smoking rooms. They are very complicated things to prosecute when they're improperly constructed, and even with staff needing to go in. So the costs are huge, and it's a burden that some municipalities cannot bear. It is too much for our municipality, if we can be seen as representative.

Mr. Fonseca: We want to make sure that all those precious tax dollars go into something that we find vital, which is our health care system and looking at helping and treating people.

Bill 164, the Smoke-Free Ontario Act, is a piece of legislation that is not to be characterized by exemption. That was one thing Minister Smitherman wanted to make clear: This is not to be characterized by exemption. Many calls that I've gotten into my office and letters have come in support from the hospitality sector, saying, "We are at an unfair competitive advantage that is being given to those who do have DSRs." The number of DSRs, I'll let you know, runs anywhere from a few hundred to, we've heard, around 700 in the province of Ontario.

I asked yesterday for how many hospitality establishments are here in Ontario. The number is 51,000 hospitality establishments. Those that have a DSR today make up less than 1% of all hospitality establishments that are out there. As we've heard from various present-

ers, they have this unfair competitive advantage. We want to make sure that there is a fair playing field out there for all business in Ontario, and this will go a long way to doing that.

Around enforcement, also I thank you very much for bringing up all the different minutiae around having to go into a place, how you test and how you get a reading. It sounds like you corroborate the York region study. I don't know if you've seen it, but within that study they say that 78% of all DSRs are ineffective, that they are not working the way they should be. I would think that the right and logical decision here, to protect all Ontarians and to make sure that there is a fair playing field, would be to eliminate those DSRs.

Ms. Cathcart: It's the only thing to do, in our opinion.

The Chair: Thank you for your presentation.

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THE YOUTH CENTRE

The Chair: The Youth Centre, would you please come forward.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Ms. Kelly Ng: Good morning, everybody. Thank you for allowing me the opportunity to speak with you today. My name is Kelly Ng, and I'm a health promoter for the Youth Centre. We're a community health centre serving the youth of Ajax and Pickering. We provide health care services, counselling services and health promotion programming for the youth in our community.

Do you need my address as well for The Youth Centre? No? OK.

I'm here today because I've recently become involved in working on tobacco issues with youth, and I feel that it's important for me to speak in support of their interests in regard to the Smoke-Free Ontario Act. I feel that the entire act is important and, if passed, will go a long way toward further protecting Ontario's citizens from the effects of exposure to tobacco. But most importantly, the act will save lives.

As a community health centre serving youth, we're very interested in helping to create a supportive environment that does not encourage youth to become smokers and that supports the efforts of youth smokers who would like to quit. To this end, I'd like to speak in support of one recommendation in particular.

As part of the Smoke-Free Ontario Act, we urge the government to protect youth from tobacco advertising by prohibiting tobacco promotion at all points of purchase with no exceptions, including retail cigarette displays, often referred to as "power walls." These power walls are often located at the front of stores behind the cash register, where youth must make their purchases, and the displays are often placed in very close proximity to other products that appeal to youth, such as candy and gum.

Power walls are the tobacco industry's last remaining form of retail advertising. The displays are visible to smokers and non-smokers, adults and youth alike. They're inconsistent with the tobacco industry's claims that they promote only to adult smokers. In fact, in 2003 the tobacco industry paid retailers a whopping \$88 million to place retail displays across Canada in-store. These displays may increase the number of cigarettes that smokers smoke on a daily basis. Exposure to the power walls may make it more difficult to quit and, disturbingly, may be a strong factor in encouraging ex-smokers to take up the habit again.

Studies show that the more children and youth are exposed to retail cigarette displays, the greater the chance that they'll become smokers. To further illustrate this finding, research on primary school students reporting at least weekly visits to small grocery and convenience stores in California showed that such visits were associated with a 50% increase in the odds of ever smoking, after controlling for other social influences to smoke.

Twenty per cent of smokers are occasional smokers—this figure includes occasional youth smokers—and research indicates that about 60% of tobacco purchases are impulse purchases. As well, according to Health Canada, at any given time, 70% of smokers are trying to quit. Exposure to a retail power wall may be just enough to encourage a smoker to buy one more package of cigarettes.

Most smokers begin this deadly and highly addictive habit before the age of 19, and we must do everything we can to prevent this from occurring. Alarming, eight out of 10 youth who try smoking will become smokers. As well, anything that we can do to support youth smokers in their efforts to quit is a step in the right direction. Many youth do want to quit. This is already a difficult personal challenge, and we must do everything we can to make it as achievable as possible. Banning retail tobacco displays will play an important role in furthering Ontario's comprehensive tobacco control strategy.

Thank you very much for being an ally of youth. In your role as members of this standing committee of the Legislature, please support this important recommendation on the Smoke-Free Ontario Act. Thank you very much for your time today.

The Chair: Thank you. This round of questioning will go to the official opposition.

Mr. Barrett: Thank you for the presentation. We had a presentation earlier about power walls in retail stores. It's my understanding that the legislation that the government is bringing forward does not ban power walls. Is that your understanding?

Ms. Ng: No, that's not my understanding. My understanding is that, if the legislation is passed, retail tobacco displays will not be in stores any more. Is that not correct?

Mr. Barrett: It's my understanding—maybe the parliamentary assistant could explain that part of the legislation—that this legislation does not ban power walls. I understand that it will force the corner store people to

take away any cigarette products on the counter that they couldn't touch, apparently.

Ms. Ng: Right, but they'll still be in view. If passed, the cigarettes will still be in view.

Mr. Barrett: That's my understanding.

Mr. Fonseca: There was a Saskatchewan case before the Supreme Court of Canada around displays and being able to regulate those. We were waiting to see what happened in that case, and it was won by the government of Saskatchewan. So right now, around those power walls, that will be dealt with in regulations, because when we were putting this piece of legislation together, that case was before the courts at the time. I'll let you know that within this piece of legislation, all countertop displays will be banned and no individual will be able to hold or touch or handle the product until after purchase. So only the employee within that store or the owner would be able to handle the product before it is sold to the individual who is buying it.

Mr. Barrett: It's not in this legislation as it's written now.

Mr. Fonseca: As I said, as the legislation was being put together, that case was still before the courts.

Ms. Ng: I reviewed the government of Ontario Web site and maybe I misinterpreted. I'm part of the Wide Awake journalist committee as well, so I was working in collaboration with them in putting together some materials today.

Mr. Barrett: There is some confusion. I'm confused as well. I think it's written in there, but it's exempted. I'll have to get the legislation out. Again, it would be worth looking at that Saskatchewan court case. I understand if the government was to bring in a law to do that, the store owners would have to have a curtain that would go across it, or a screen, or they would take them down and put them underneath the counter so that nobody could see them.

Ms. Ng: Right. When I was looking at the Web site, I was thinking that would be the case as well. If people were interested in coming and buying cigarettes, they would have to make a specific request for them. Everything would be out of sight and they would have to go behind the counter. Any steps that we take in this direction are going to be great. My comments still stand, as a representative of the youth centre. I think banning countertop displays is a step in the right direction. Maybe in future we can go one step further and remove the cigarettes from sight completely, because all of my points are still valid in terms of people trying to quit, people making impulse purchases, or being influenced by the displays. They're just furthering their intake of nicotine and creating major health risks.

Mr. Barrett: Just one last question. We have a diagram here, a picture of the walls, and I know this gets complicated. The federal government, as I understand it, did a great deal of work and spent a great deal of money analyzing this. The warning signs on the packs of cigarettes take up 50% of the pack. The reason for that is so that people can see the warning label six feet away when

they're on a power wall. So if we've got another level of government advocating that the store owner move a curtain back and forth, those warning labels won't be seen. I don't know whether one level of government knows what the other level of government is doing.

Ms. Ng: I'm very glad that the warning labels are there, but the cigarette packages are still visible. I don't know if people are reading the warning labels when they're making their purchases, but when they see the packages, they're being even subconsciously manipulated or influenced to perhaps make a purchase.

The Chair: Thank you. The parliamentary assistant has indicated he has additional information to your question. I'll allow him to put that quickly.

1030

Mr. Fonseca: Just to be clear and to give clarification around this, section 3.1 of the act, "display, handling, promotion," reads:

"No person shall,

"(a) display or permit the display of tobacco products in a retail store by means of a countertop display;

"(b) display or permit the display of tobacco products in a retail store in any manner that permits the purchaser to handle the tobacco product before purchasing it; or

"(c) display or permit the display of tobacco products, or material promoting tobacco products, in a retail store except in accordance with the regulations."

Then, within the regulations,

"The Lieutenant Governor in Council may make regulations governing the display of tobacco products or material promoting tobacco products for the purposes of this section."

The Chair: Thank you for your presentation this morning.

THIRSTY CANADIAN PUB AND GRILL

The Chair: I would call on the Thirsty Canadian Pub and Grill. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Richard Vissers: My name is Richard Vissers. I'm the owner-operator of the Thirsty Canadian Pub and Grill in Peterborough. Excuse my voice a little. I was at the Petes' game last night. It got loud and it got late.

I own a little pub/restaurant in a neighbourhood just a stone's throw away from the memorial centre where the Petes play hockey. A lot of my business is neighbourhood. That's why I put it there. There are no other real bars or restaurants around me except the memorial centre. It consists mainly of people who come there all the time because they know I have good food, a place they can sit down and have a couple of drinks and enjoy a couple of cigarettes in the back. I employ seven to 10 people: a couple of full-time plus myself, and five to six part-time.

I've only been in the restaurant/bar business for about a year, but all through college and up to this point I've

been in the bar industry. I've gone to bars. I've worked in the industry as well. I know smoking is an unfortunate part of this business. I personally don't smoke. I know of three or four other owners who have designated smoking rooms in their establishments who don't smoke, yet they know it's part of business. We put capital investment into the business knowing that we had a certain amount of time to financially make it worth our while to put these in place, and then all of a sudden we're changing it.

I know where we're going with the non-smoking, and it's going there. I know it. I always did. But it's part of a phase-out. I can't just tell people not to come by any more because they can't smoke. I don't want them sitting outside with cigarettes. Like, when you drive by schools, you see nothing but kids out front. I'm asking for more restrictions, like everything else. I don't sell the smokes, yet I've got to make sure that kids who are in with their parents don't go into the smoking room. It doesn't say that, but I make sure of that, because I have a child too. I just think it was a good-faith gesture for the businesses that stepped up—they were looking out for their businesses and their families—to put the DSRs in. They should at least be able to get their money back out of it.

Another part about it was restrictions. Everything we have in this country we put restrictions on. If we're feeling that it's not working, we'll restrict it, yet this seems to be, "Let's just stop it now."

My suggestions: I don't know if that matters, but if you're worried about the rooms not being maintained and scheduled, just like the health and safety, we schedule maintenance twice a year. They come in and check to make sure the filters are clean and that they're working properly at the CFMs.

Put employee restrictions into effect where, if it's not voluntary, then they don't go in that smoking room. If it is, then they're only in there for 10 minutes in an hour; just basically in and out, grab the beer bottles or whatever has to be cleaned up and do their job.

The main thing, and my question to you, is, what is the problem with a longer phase-out with restrictions?

The Chair: Does that complete your presentation?

Mr. Vissers: Yes, pretty much.

The Chair: You have time left. I don't want to rush you.

Mr. Vissers: OK. My customers are just like somebody sitting at home watching TV. If they're offended or not, interested in watching, and then in effect coming into my restaurant and having a smoke in the smoking room, they have that choice. They can change the channel. They don't have to go in there. Even if I put big signs over half of the door saying, "This room is deadly. You don't have to come in," I know people still will. It's just business. That's it.

The Chair: Thank you. This round of questioning will go to the NDP.

Ms. Martel: Thank you for coming today. I just need some clarification. I apologize for this. You have a designated smoking room in your establishment.

Mr. Vissers: Yes.

Ms. Martel: You paid to put that in?

Mr. Vissers: I bought a restaurant that had it in, knowing that was where I had to be.

Ms. Martel: At the point in time that you purchased it, the bylaw was that that was acceptable until a certain time in the future. Is that correct?

Mr. Vissers: Yes.

Ms. Martel: I am on the side of banning DSRs, but I also recognize that in a number of municipalities, when the bylaws came in—because there was a patchwork of bylaws—any number of people made an investment in a designated smoking room thinking they were going to be able to recoup their money before the sunset clause. They were, and still are, operating quite legally under the bylaw in place. My suggestion to the government has been, because the provincial legislation makes a change that they could not have foreseen when they were doing something that was perfectly legal, the government should consider some form of compensation for those owners who got a loan, who paid out money in order to have a DSR. We should be looking at compensation for them, and there is some precedent for that set under the previous government.

In your case, you purchased an establishment that had one in it. I assume—and maybe I'm wrong to assume this—there was an added cost to you with respect to the purchase because the payment for that DSR was still underway. Would that be correct?

Mr. Vissers: Yes.

Ms. Martel: Can you break that down? I'm not trying to have you expose your finances to the committee, but I'm just curious. Can you separate out what portion of the purchase that might have been related to that DSR you were hoping to recoup before the DSR might have been sunsetted?

Mr. Vissers: Well, I worked for the previous owner so I knew that specific business and I knew he put an investment of about \$7,000 into it. I know that the landlord reacted accordingly. It wasn't that I purchased; I took over after another restaurant went under, so I knew what I was getting into in one respect. I guess I was optimistic.

Ms. Martel: Do you think you've recouped that at this point? It's been in place for some time in terms of your purchase and your running the operation.

Mr. Vissers: I've only owned it just over a year. I don't even know how to measure how to recoup costs. I have a hard time figuring out how much I'm going to spend on the musician. How much are people going into the backroom to smoke or sitting up front to watch my entertainment? I don't put the entertainment in the smoke room; my entertainment is out front. I don't even encourage serving food out back, just because it doesn't make my food taste good.

1040

Ms. Martel: But in terms of your staff, they are going in and out of the designated smoking room?

Mr. Vissers: Yes.

Ms. Martel: For what it's worth to you, my personal perspective is that I view the legislation as a mechanism to ensure that other members of the public and workers aren't subjected to second-hand smoke. That's why I agree there should be a complete ban, just so you know where I'm coming from on this. But I also think that in fairness to people who put up money to operate under what was the law at the time, we ought to be looking at how to compensate some of those businesses, those tavern and bar owners who operated within the law and expected to be able to make up for that, who still need to pay off a loan and deal with that as part of their business operation. I hope the government will look at that.

Mr. Vissers: Well, 70% of my drinking clientele have a cigarette or two. They're not back there chain-smoking. They just want to be able to enjoy one or two cigarettes over two or three hours and not have to stand outside or go home. We're social beings. We have to interact. You're asking me to put restrictions on something that the government sells to people. I'm not selling it to them. I wouldn't sell it to them.

Ms. Martel: Now you raise a legitimate issue: What do we do about tobacco? You raise a very legitimate issue.

Mr. Vissers: I didn't want to go there.

Ms. Martel: I don't want to mislead you. I'm for urging the government to look at compensation, but I am also in favour of getting rid of designated smoking rooms—no exemptions, no private clubs—and let's make sure we're protecting people from second-hand smoke. I don't want to mislead you into thinking I have a different position.

Mr. Vissers: I understand yours. I hope you understand mine.

Ms. Martel: Yes, I do. Thank you.

The Chair: Thank you for your presentation before the committee.

OTTAWA PUBLIC HEALTH

The Chair: I would ask Ottawa Public Health to come forward, please. There's been a change in the agenda, for committee members.

Dr. Robert Cushman: Thank you very much for allowing the change.

The Chair: Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Dr. Cushman: My name is Robert Cushman. I'm the medical officer of health for the city of Ottawa. We've been at this for some four years with great success, with much thanks to Phil McNeely and Madeleine Meilleur, who were councillors around the city hall table when we started.

First of all, let me congratulate you on this effort. I think it's tremendous, but I would caution you. Cuba is thinking about this, Ireland has done it, and you may actually be the sixth province in the nation. And Quebec

is moving very quickly. I would hope that you would really go for the gold standard. You have an opportunity here to really make a difference, because this is the number one preventable disease out there, and in a system that's being bankrupted by health care costs, we have to do something.

I'm glad this is an economics committee, because this is really all about economics. If it had been a health committee, I would have had to rent a few major tractor-trailers to bring the evidence in. So I'm delighted it's about finance and we can talk about that.

We've had very good luck in our city. I think one of the issues is that there have been no second-hand lungs in our city—not for workers and not for patrons. The concept of a level playing field is very important.

Having said that, I'd like to look at the designated smoking room issue. First of all, they don't work; that's very clear. Secondly, they're expensive. As one local restaurateur said to me during this, "Dr. Cushman, deal with this at the door. You make the tough call, and then we'll deal with it and it'll be fine." And in fact that's what's happened in our city. We've had 100% compliance. We've done very well.

It's a problem with the level playing field, because if you do have designated smoking rooms, you subject workers to smoke. There's no doubt. They're going to be in there. The stuff lingers. They have to clean it. They'll end up serving. You can't supervise it all the time. These don't work. It's very difficult to enforce a bylaw. You get into a situation like Quebec language laws: Is it inside? Is it outside? There are a number of issues.

Also, I sympathize with some of the problems that have been mentioned by the earlier speaker, but I would be careful. When someone says, "It cost me"—I notice there was a figure last fall of \$400,000 to build a designated smoking room. Make sure that \$350,000 of that wasn't for the renovation of the site and \$50,000 for the ventilation. So be careful of inflated costs, because this industry is very skilful in how they get false information out on to the block. There's no industry like this industry.

The other thing I'd like to mention is Heather Crowe, who's certainly in our city. This is the business about workers. She did have some protection from the Workplace Safety and Insurance Board, but I would be very careful, as legislators, as politicians around the table and as employers, because if we see more Heather Crowes, I would think there will be large lawsuits. If jurisdiction X had protected this particular person but jurisdiction Y had not, I would argue that you're going to be very vulnerable in the courts.

On the economics side, we've seen the latest, the PUBCO science. They went all the way to Florida to get this report. I must say Florida is probably the only place in the western world these days where you don't have a free election in the 21st century. You can have it in the Ukraine but not in Florida. So be very careful. Here's my local newspaper saying, "Ban hurting bars." No way. They went around and checked. In fact, probably the

dingiest bar in Ottawa, which has closed recently, one of the gentlemen who's been bragging about this report was the former owner. He may claim he got put out of business by the bylaw, but the scuttlebutt on the street was that his sister was very fed up with his business ways and kind of told him to get out of town. Now he's working for PUBCO and he's probably got a three-piece suit on.

I'll just leave you with that, but there's no doubt, I think the fundamental economic law—I'm an economist by training, actually. If 80% of the people in Ontario don't smoke, that means something from an economic point of view. I would argue that 80% of the people who don't smoke probably have 90% of the money, because smoking is so tied in with poverty. You've got to have a real niche market when you're going for only 10% of the disposable income. To me, I think that's the crowning point when it comes to economics.

My last point is about the point-of-sale advertising. This is where Ontario can make a difference. There's no doubt that what kids see when they go into a corner store is the power wall. Kids think that a lot more people smoke than actually do because of this. Kids who are seven or eight years old can name the major brands of cigarettes. Tobacco companies are not allowed to advertise, but they're spending more money than ever, and this is where they're spending the money. So please deal with this. This is death on display.

I'll just wrap and say thank you very much. This is the way to go. Everybody's going this way. Up the bar a little more, have some courage to do what's right, to go where the science is, both the medical science and the economic science, and have a level playing field. And you know what? This is a vote-getter too.

The Chair: This round of questioning will go to the government.

Mr. John Wilkinson (Perth-Middlesex): Thank you, Dr. Cushman. How long have you been the medical officer of health?

Dr. Cushman: A little over eight years.

Mr. Wilkinson: I would assume then that around this table you know more about this topic from a professional point of view than anybody else here. This is the thing I'm struggling with: My colleague Mr. Barrett of the official opposition—and I can understand his political reality, given his riding. But it seems that many of our people have been grilled on this question: "Can you show us a death certificate that says 'cause of death: smoking' or 'second-hand smoke'?" As a professional and someone who's an expert, I was wondering if you could help us deal with this question. In your professional opinion, Doctor, does smoking contribute to premature death and illness? Does second-hand smoke contribute to premature death and/or illness in our population?

1050

Dr. Cushman: Sure. As I said, I didn't bring the tractor-trailer trucks of the evidence. This has been reviewed by systematic reviews by leading scientific agencies around the world and, by and large, the information

is very conclusive. Occasionally you get a situation where a tire sort of falls off a vehicle. In North Carolina there was a judge who happened to be a former tobacco industry lobbyist who was able to—I don't know—cast some aspersions on one chapter in an encyclopedic volume.

This has evolved since I started doing this. More information has been coming out all the time. We know now that if you are exposed to second-hand smoke in this room, your platelets get very sticky very quickly. This puts you at increased risk of heart disease and stroke. In fact, there are people now who feel that choking incidents in restaurants have been acute coronary events due to second-hand smoke. We know that if you have a cigarette, the artery constricts and the blood pressure goes up, so we see very immediate effects. In pulmonary function tests, some very good work has been done with bar workers to see that their respiratory functions change.

So we know it from symptoms; we know it from investigations; we know it from signs. You can see this—it's dramatic. You can produce an effect in minutes, and oftentimes it takes a long time to go away—for instance, an allergenic exposure, something like asthma, which some 10% of the population may be susceptible to. When you move on from that, we know that in chronic lung disease, heart disease, stroke, all these issues, there's lots and lots of evidence not only in terms of illness, hospitalization, costs of hospitalization but also death.

You've got to remember, this is epidemiology. This is the cornerstone of medical science. No, we do not say "died of tobacco smoke" on a death certificate. We'll say "died of a heart attack" or "died of a stroke." But we know, from the risk factors, we know from certain situations—the analogies would be asbestos or cholesterol—that this is very well defined and very well accepted in the literature. There are volumes and volumes of this material, and it has been shown with systematic reviews done from continent to continent, country to country. There's no doubt about it.

I think the walking proof of this is Heather Crowe, who never smoked in her life. She's fighting cancer—with some success, God bless. But that's the difficult road there is to hoe. To me, it's clear. It's widely accepted.

Fewer and fewer people smoke. We're finding that the dangers of second-hand smoke are more than we had first thought because in the old days there was so much smoking going on that it was hard to differentiate, but now the exposures are clearer because there's less smoke and, over time, we're seeing more and more research. In the medical literature we've seen really good, solid evidence for this for probably some 20 years.

The Chair: Thank you for your presentation before the committee this morning. We appreciate it.

Mr. Wilkinson: On a point of order, Mr. Speaker: Just for the interest of all the members of the committee, I would refer them to the binder prepared by the ministry. There is the fact sheet Health Effects of Second-Hand Smoke. I know that one of our members, Mr. Barrett,

was looking for the science. I believe there's a very extensive list here and I'm sure that he'd be interested in reviewing this. Since it seems to be an issue you wanted to raise, it seems to be right here. It should be in the binder. Thanks, Dr. Cushman.

Dr. Cushman: May I leave this?

Mr. Wilkinson: We saw that yesterday. It's very good.

Dr. Cushman: Oh, you have it. OK.

The Chair: I believe that research also supplied some information on that prior to the—

Ms. Anne Marzalik: No; will be.

The Chair: —will be supplying some information on that particular point.

PHYSICIANS FOR A SMOKE-FREE CANADA

The Chair: I would now call on Physicians for a Smoke-Free Canada to come forward, please.

Ms. Cynthia Callard: My name is Cynthia Callard. I am executive director of Physicians for a Smoke-Free Canada. I'm not a physician. I was hired by our membership to work on policy development. I've worked on tobacco issues since 1985. I've also worked on other issues, but I've been round the block.

When I first planned to come here, I was hoping to implore you to move forward with a complete ban on display at retail, but I listened to the testimony yesterday and I thought it might be more useful to your deliberations if I were to go over what happened in British Columbia, because I was hired by the British Columbia government for six months in 1998 as a technical adviser on their tobacco control strategy and I'm quite familiar with what went on.

It's important for those of us who live in Ontario to understand that BC is quite a different place. One of the many ways in which they're different is that their Workers' Compensation Board is responsible for labour code issues. This is pretty unique in Canada. Quebec has a somewhat similar thing. Whereas in Ontario the labour code standards are set by a Legislature like yourself through a ministry, through cabinet, in British Columbia it's done by an arm's-length agency.

This arm's-length agency sat down in the early 1990s and said, "Why are we protecting some workers from these chemicals but we're not protecting all workers? Why are we protecting them from chemicals in smelting plants but not from second-hand smoke?" They brought in a regulation which took effect in April 1998 that protected all workers from second-hand smoke, but they gave a phase-in period, a sunset clause for the hospitality sector to adjust.

In 1998 there were no smoke-free places anywhere in Canada. The first one was actually in Victoria the following year. No one had any experience with this. The British Columbia government of that day was not thrilled that an arm's-length agency was coming up and presenting them with this terrible political headache. They were

fighting big tobacco, but in their mind their message box was, "BC fights big tobacco"; it wasn't smoker versus non-smoker. This was going to take them off-message, and they really didn't like it. However, they accepted the logic and they accepted that the WCB had the authority to do this.

The tobacco industry funded a court challenge to the regulation and the regulation was thrown out. Although it came into force in January, it was thrown out in March 2000 on a procedural process basis. The WCB put in a new process, had new hearings and announced a new regulation the following March, which was to take effect in September. Something happened in those months: There was an election; the government was overthrown.

The new government didn't like the regulation and decided that it was going to interfere. It told the WCB to suspend the regulation, and the WCB said no. They fired the WCB panellists and put their own political appointees in place and they set up a parliamentary hearing to look into it. Their parliamentary hearing came back with a proposal which they told the new WCB that they should implement. The WCB again said no. The government imposed its own regulation. It's a regulation that allows for DSRs, but they're not designated smoking rooms like you'll see in some places. They're really just areas. There's no requirement for walls or anything.

It's not true that throughout British Columbia there are these open spaces, because some of the municipalities had passed laws. One of the fact sheets I circulated was a description of the various laws that are in place, but many British Columbians live in areas where there are complete bans on smoking, like those that are proposed here and that we would support; some have laws that are what would be considered a silver standard. In effect, it's a rural-urban split. In the rural areas people are not protected from second-hand smoke; nor are workers. So what has been established is that there was political interference in a regulatory process that was science-based and used by tripartite negotiations between employers and workers, and the political interference ended up in having second-class workers or workers who did not receive the full protection.

The ASHRAE standards that were referred to are the antiquated ones. ASHRAE no longer gives ventilation standards for second-hand smoke. They say that it is not possible to put the air to a healthy level. The ASHRAE standards that were brought in were those from a couple of decades ago. That's a little bit like someone saying, "We use the same machines and technology as the Mayo Clinic," without telling you that it was like the Mayo Clinic standards of the 1950s. It's a false kind of validation.

1100

Enough of the history lesson; I want to give a quick math lesson. Yesterday we heard that the Korean Businessmen's Association's 3,400 members received \$5 million in payments. Then someone was there saying that they've received \$20,000 a year, and another person was there saying they've received \$18,000 a year. My math

isn't fantastic, but if I multiply that, it tells me that their association—if those are average payments—would be getting \$68 million, across them, which is almost all of the \$90 million that's reported by the tobacco companies to Health Canada as what they pay for these promotional displays. Ninety million dollars divided by the number of retailers who are reported to receive them is an average payment of about \$800. There are three manufacturers, so we're probably dealing with a maximum annual payment of under \$3,000. Obviously, if some retailers are getting \$20,000, others are getting none, or the math wouldn't work out, but it's important to understand that what's being dealt with here for some individuals might be very high, but on an average basis, it's not.

Another math lesson is that if we're getting rid of tobacco, we're going to get rid of the profits from tobacco sales. If we want to keep corner stores in the business of selling tobacco, we've got to figure out a way of giving them the profits and not having the cigarettes smoked. It is a difficult challenge, but I think it's something we have to accept from the get-go, that there are going to be jobs lost.

One of the problems is that we've had a reduction in smoking rates and smoked tobacco use of about 20% in the last five years. That shouldn't be a problem; that should be something we're celebrating. But the problematic part is that people haven't sat and said, "This has consequences. It has consequences for tobacco farmers. It has consequences for advertisers. It has consequences for the business sector." I hope that we'll continue to have that kind of success and that in the next five years we'll also see another 20% reduction. If we continue at the pace we're going now, smoking will be removed by about 2025. This would be a glorious thing, but it means that there will have to be adjustments, and I think the government has to look to adjustments and a way of doing it.

The risk of not doing that is to be held hostage and to have very important initiatives held hostage for the economic interests of what are relatively a handful of people. Even if there are thousands of retailers, the net impact on jobs is a handful, and a paltry number compared to the number of people that are hurt.

Another issue on numbers, a quick math lesson, is that because smoking rates have been going down so much, people think there is more smuggling than there is, because they are losing their business. So naturally they think, "Well, someone else is picking up the business; the business is being lost." There is smuggling; I see smuggling in my own neighbourhood. I know there's smuggling, but smuggling isn't the main reason for the drop in sales. The reason for the drop in sales is because the health programs are working. Health programs like health warnings and smoke-free spaces have an incredible impact, like higher taxes. Finally, we have restrictions on advertising. It took us about 15 years to get those in place. So we should be celebrating, in my mind, the successes we're having, and planning for future successes, instead of fighting a rear-guard action against those who are benefiting economically.

The Vice-Chair (Mr. Phil McNeely): Thank you for the presentation. The question goes to the official opposition.

Mr. Barrett: The British Columbia legislation has come up. You said you were at the hearings yesterday as well. The legislation, as I understand, does allow designated smoking rooms, and employees, workers—actually, Mr. Perley presented this yesterday—cannot spend more than 20% of their shift in such DSRs. Were you saying that in British Columbia, the legislation isn't being enforced in some parts of the province where there aren't DSRs, or they are smoking in—

Ms. Callard: What they call DSRs are not sealed rooms; they're just areas. There's no requirement for there to be a wall or a door, so they can call it a designated smoking room, but it's like a foyer. In many parts of the province, municipalities have either brought in laws that have real designated smoking rooms with separate ventilation or have brought in a complete ban. So it's not true that in British Columbia there's only one scenario.

Mr. Barrett: Certainly, my definition of a DSR is a ventilation system with a wall around it. It doesn't matter whether the door is open or not, because with the negative air pressure, the air is coming into the DSR and then out through the fan. I thought that with provincial legislation, they would have pinned that down other than just an open space where one side is a DSR and the other is not. That's certainly new information for this committee.

And again, you said there was political interference. That would have been when the Liberal government came in? We know that this reversal was done by the BC supreme court, so was there political interference?

Ms. Callard: No. The reversal of the first law was by the BC court on the basis of the process. They said that the hospitality sector had not been adequately heard. It was not on the basis of the regulation. So the worker's compensation board had a new set of hearings. It was extensive; I think they met in six cities over several days. They met, deliberated again, took about eight months, and developed a new regulation. That regulation was not thrown down by the courts. It was overthrown by the cabinet.

Mr. Barrett: Oh, I see. The first time, like you say, March 2000, the hospitality industry took the workers' compensation board to court, and they won.

Ms. Callard: I have a chronology here which perhaps I could leave with the clerk. I just had a friend fax it to me last night, and perhaps that could be circulated to you later.

Mr. Barrett: You also mentioned the Korean businessmen. I guess they're not here today. But you indicated that we also, as a society, as a result of some of this and the amount of money they're losing—and there are different figures, and of course not all stores are run by Korean families—need to figure out a way to give the corner stores profits. Do you have any suggestions for the Ontario Legislature? You know that 60% of their sales are tobacco.

Ms. Callard: That's actually another little mess. Sixty per cent of their revenues may be tobacco, but not 60% of their markup. A carton of cigarettes cost \$60, approximately. Their markup on a carton of cigarettes is three to four dollars. The average amount they get for retail display is about 50 cents per carton. If they wanted to replace the promotional revenue just by increasing the price of cigarettes, on average that would be about five cents a pack of cigarettes. So it's very misleading to talk about the percentage of revenues when much of it is just flow-through of federal and provincial taxes. It gives a completely distorted picture of the importance to their business.

Nonetheless, for someone who's a tobacconist, if tobacco goes out of business, they have a problem the same way that someone who sells typewriters has a problem when everyone switches to computers. These are business shifts, market shifts. There are many things that are sold now that weren't sold when we first put tobacco on the open market. There are many other products available for sale, many services available for sale. I think this is the nature of an open marketplace.

Mr. Barrett: OK. I will say a carton costs \$60. In my riding a carton costs \$25, so five cents isn't going to influence the marketplace that much. As you would know, there is an underground economy, and the Koreans, for example, are competing with people who do not follow the rules. So this is another issue, and it doesn't seem to be addressed by government. It's not hard to buy a carton of cigarettes for \$25, and they don't ask for age.

Ms. Callard: Hopefully, the retailers whose concerns you are taking into consideration are not those who are selling the illegal \$25-a-carton cigarettes.

Mr. Barrett: No. I'm talking about smuggling, and this is an issue that is not being addressed. Smuggling is a result of government policy over the last year and a half. We've seen three tax hikes. That's one reason a carton does cost \$60. If you don't pay the tax, you're paying \$25. Those are for sale, and I don't know whether your organization has any thoughts on that. I'm not aware of people being caught or arrested that much.

Ms. Callard: Smuggling is an important issue, and there are proposals around for ways of better managing it. It's certainly a cause, but there are a million fewer Canadians who smoke than five years ago. Every year 100,000 Ontarians are quitting smoking. This is the major cause of loss of business.

Mr. Barrett: We have those government statistics, but they don't take into account the underground economy, because they don't pay tax; they don't send in their reports to Statistics Canada.

1110

Ms. Callard: In fact, if these surveys that are done when they phone people's homes and say, "Do you smoke?" and people say yes or no, and then they say, "How much do you smoke?" and people say, "I smoke a pack a day," or "I smoke half a pack a day," when you do that math, it jibes with the official figures. We have

surveys every year across Canada, massive surveys, that measure how much people say they're smoking, and we have tax receipts for how much they're actually selling. Yes, there is a gap, but the gap is not growing that much, and the gap is not that significant a contributor to the loss of business.

The Chair: Thank you for your presentation this morning.

DELTA BINGO INC.

The Chair: Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your name for the purposes of our recording Hansard.

Ms. Carol Newman: Good afternoon Chairman, committee members, ladies and gentlemen. My name is Carol Newman, and I am with Delta Bingo Inc. I speak to you today on behalf of all the operators and employees in the bingo industry, but most importantly, on behalf of all the charities that conduct bingo events in the province of Ontario. For your information, I have personally been involved in this industry for over 21 years, originally as a charity volunteer, and in the last 10 years as an employee for Delta Bingo. I know the bingo industry, and as I have continued to volunteer on behalf of the charities, I know first-hand the challenges faced on a daily basis in order to raise funds for the common good of us all.

We understand the position of the government, in that you have been charged with the task of creating a law that would benefit the residents of Ontario, and we want to assure you that we are not here today to debate the health issues associated with your decisions. However, we feel that in your deliberations you have overlooked the bingo industry, which is quite unique as compared to any other venues. A 100% ban on smoking in bingo halls would be a financial disaster for the charities of Ontario.

Bingo in the province of Ontario employs over 4,200 people, supports over 4,000 charities, which equates to over half a million volunteers, and generates approximately \$100 million in profits which are distributed directly to local charities. While we continually make predictions in the market to allow for adjustments that directly affect our industry, a 100% ban on smoking is the single greatest threat this industry has ever faced, and it will be the one threat to ultimately destroy the bingo market.

Bingo halls are a unique environment, as actual bingo events are conducted by charity organizations, and the profits derived go directly to the charity groups which, in turn, directly benefit the community or area they're from.

Over the years, bingo halls have responded to the needs of their customers, volunteers and employees, and most have made continual upgrades to the halls, which include creating designated smoking rooms, or DSRs. These DSRs are rooms that are separated from the rest of the hall and have separate ventilation. The air from the non-smoking section flows to the smoking section where it is mixed with outside air, and then the air from the

smoking section is exhausted directly to the outside. A negative pressure is kept on the smoking side, so that whenever a door opens between the two, no air ever enters the non-smoking section. In fact, the same type of ventilation technology is used in mines and hazardous materials laboratories.

This design ensures that only the people who choose to be in the smoking section are around the smoke. The non-smoking section also contains entrances, offices, snack bars, washrooms, sales areas and bingo callers, which allows for the majority of the labour necessary to conduct these events to be done in the non-smoking sections. Such a set-up permits us to provide an optimum environment for our non-smoking customers, in which they never, ever have to set foot in the DSR, as all facilities are available in the non-smoking section, and, at the same time, it allows our smoking customers to partake in like entertainment in an environment that accommodates their requirements.

In most locations, these DSRs accommodate 65% to 70% or more of our customers. The issue is not black and white. Up to 70% of the bingo players smoke, and such is the nature of any gaming industry. Smoking is deeply ingrained in our social and economic culture. Most of our halls don't even sell cigarettes, so we don't promote the habit. However, while only 30% of the population may continue to smoke, that represent almost 70% of our customer base. As well, the legal age to play bingo is 18, so there is not an issue with youth having access to or being in the smoking sections.

In areas where current smoking bans exist due to local municipalities being given the authority to implement such bans, there have been hall closures and huge negative financial losses to the charities that once conducted bingo events at those locations.

Municipalities that recognize the detrimental effects such a smoking ban would cause may have allowed DSRs. These DSRs meet specific criteria set by the public health department, and therefore, operators were legally permitted to use the DSRs and were told that the DSRs would be available for use until approximately 2010. My company, with the approval of the regional government, had to complete everything by May 31, 2004, in the Niagara region, at a cost of \$600,000 for four locations. That investment created approximately \$5 million in profit for charities in the Niagara region. The bingo industry in the province of Ontario as a whole, where allowed to do so, has spent millions on DSRs, and those millions of dollars have translated into continued profits for the charities of Ontario.

If a 100% smoking ban is put into place, we expect to lose approximately 40% of our customers. The majority of that 40% will never return, which equals 80% of our profits. These customers will continue to smoke but will just do so elsewhere and take their money with them. Non-smokers will not come to make up the difference. We have a provision for them now, and they're not coming.

Charities that operate bingo events and raise the funds for their programs vary widely and include health organ-

izations, youth organizations, schools, churches, service clubs, cultural organizations, sports organizations etc. You only have to look around your own communities for examples of the valuable services being offered by these charities. The loss of the millions of dollars to these charities is frightening. This would result in schools without computers, software programs and subsidized field trips. Imagine health organizations such as St. John Ambulance, Canadian Red Cross, Canadian Mental Health Association and Heart and Stroke Foundation without the necessary funds to administer services from which we all benefit; youth organizations, whether they're social or sport-oriented, without the bingo profits that make it possible for the children of this province to participate in their programs; multicultural organizations, Legions and churches without the funds to operate—and the list goes on. More importantly, the government would not be able to absorb the programs offered by all of these charities, and could not reimburse the charities for the huge financial losses.

We know the government recognizes the importance of charity involvement in this province, and we need you to help grant us the means necessary to continue their important work. We are merely asking that we be allowed to provide an environment where both non-smokers and smokers are mutually accommodated, without one affecting the other, and where both can enjoy the same type of entertainment while not affecting the much-needed profit for charity groups. Designated smoking rooms will accomplish this and accommodate the current customer demand, and as that demand reduces, so will the use of DSRs.

At the very least, an amendment to the bill being proposed that will grandfather in existing DSRs for a period of time of no less than five years would allow the charities and the industry the time necessary to develop new strategies required to deal with the loss of customers, loss of profits and allow charities the time to re-organize their services, develop new fund-raising initiatives and whatever else may be necessary to ensure that these charities continue to provide their irreplaceable and much-needed services.

In closing, I would like to thank you for allowing me to present to you this morning, and I welcome any questions you may have regarding the content of my presentation. As an option, you may also speak to the member from Niagara Falls, Mr. Kim Craitor, who for over 15 years has been a bingo volunteer with a charity in Niagara Falls, understands the issues presented today, and supports the inclusion of DSRs in Bill 164 for bingo halls. Thank you.

The Chair: This round of questioning will go to the NDP.

Ms. Martel: I appreciate the presentation you have made to us. I guess I need to offer you a different position, and hope that what has occurred in my community, which is Sudbury, would occur in Niagara Falls after the passage of this bill. I want to be upfront with you and tell you that I'm a supporter of a complete ban, that there be no exemptions: not for bingo halls, not for

charity casinos, not for Legions etc. I can only use the experience that has come to pass in our own community, because in my own community of Sudbury, when the smoking ban was put into place—and it's been in place a couple of years now—there were no exemptions: not for bingo halls, not for the Legions, not for anybody. It was a 100% ban in all workplaces.

I have to say that since that time, I have not been approached by any charity that was operating in any of the bingo halls to say that they had lost money, that there were no funds available and that they were needing financial assistance from another venue to make up what they had lost from the bingo halls. That's been our experience. I hope that the experience we've had in our community is going to be an experience that is repeated. I have had no communication with any of the charities to suggest that people aren't still coming to the bingo halls and aren't still supporting those charities by being at the bingo halls the way they did previously.

The second point I would make, then, is that if indeed the experience is different in other communities, I would hope that the government would look to supporting those charities directly and having consultations, public hearings and negotiations on how, if that does happen to individual charities who do good work—and I think we all recognize that—through the Trillium Foundation or through other mechanisms, the government is doing some work to try and supplement those charities directly. I can only relate to you the experience in my community, and Sudbury's got a huge population of 140,000. Not once since the ban have I heard any charities come to me to say, "We need a DSR. We need this reversed, because we have lost income and can't support the good work that we did before."

I just wanted to relate that to you. I'm not here to try and challenge you, because I appreciate that you've come forward. You've been involved in the industry, but I'm only here to say that I hope the experience we've had is going to be one that's repeated when this bill is passed. I welcome any comments that you want to make.

Ms. Newman: The only comment I want to make is that I'm sure that there has been a negative impact, and I'd be quite happy to send the information on to you. In Niagara Falls, for example, prior to even the allocation of DSRs, we had three bingo halls. I am now the only bingo hall left in Niagara Falls. We have two casinos in Niagara Falls as competition, one in Fort Erie and one in Niagara Falls, New York, which is opening up bingo in the next 30 days, from what I've been told. Therefore, being the only bingo hall, and now having 91 charities that used to share in \$5 million in profit now sharing in \$2 million in one location, there will be a very disastrous effect. In Ottawa, Kitchener-Waterloo—any of these areas—the results have been disastrous as well. It's great that maybe you haven't heard of it in Sudbury. I have to admit that I really don't know that area particularly, but I'd be happy to check that information.

Ms. Martel: Can I ask you if some of the change in patrons going somewhere else is people going from a charity bingo to the casino instead to gamble?

Ms. Newman: No. The reason that some of the other halls closed was the expense of creating DSRs. There is a huge expense, because it does have to be a totally separate room with a separate ventilation system that works according to the guidelines of the public health department—two closures because of the costs associated with doing that.

Ms. Martel: I should tell you—I said this yesterday and I'll repeat it today—that in my support for this bill, I've also said very clearly that I recognize that there are municipalities, and within them, owners of either bars, charity casinos etc. who, given the bylaw that was in place, made a financial decision to make an investment in a DSR because they believed that they would have a time frame in order to recoup that. In fairness to those people who made that investment, who have a loan and who figured they would have time to pay for it and may not now because the time has been shortened, the government should look at compensation for those individuals. I think that is an issue of fairness. That doesn't change my position in terms of saying that I think there should be provincial legislation and there should not be exemptions, but I think that the government has to recognize that people are out of pocket for money and look at how we deal with that.

Ms. Newman: The only other comment I'd like to make, when you're talking about compensation to charities via the Trillium Foundation and what have you, is that, first of all, there are a lot of charities that operate bingo that would not be eligible under the Trillium program. Churches, for example, are a big one. Second of all, being experienced with grant requests sent to the Trillium Foundation, there are certain categories. Your group falls into a category, and you then fall in with everybody else in that. So while I may currently have 10 sports organizations, one or two of them may qualify under Trillium for this year; the rest have to wait till next year. Right now, they all get money every month.

Ms. Martel: I'm not suggesting that the government wouldn't have to look at changing the criteria; I suspect they would. If there's going to be a policy developed that says, "We are going to look at how we support charities as a consequence," they're going to have to look at those criteria as well.

The Chair: Thank you for your presentation before the committee today.

Carole Madeley? I understand the presenter is in the building but is not prepared to come before the committee. We are ahead of schedule. We'll recess until she appears or until the noon hour, whichever is first. Please stand by.

The committee recessed from 1124 to 1129.

THE LUNG ASSOCIATION

The Chair: We appreciate you appearing before the committee slightly ahead of schedule. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I'd ask you to state

your name for the purposes of our recording Hansard. You may begin.

Ms. Sandra Harris: Hello, everyone. My name is Sandra Harris. I'm here today from the Ontario Lung Association. I am the area manager for the Durham, Kawartha and Haliburton areas. Thank you for your time speaking to you today.

The Lung Association is one of Canada's oldest not-for-profit organizations. Our mission is to improve lung health. We focus on three main areas: asthma, indoor air quality and tobacco-related lung disease, such as chronic obstructive pulmonary disease, otherwise known as emphysema and chronic bronchitis. Our primary work involves medical research, public education and the promotion of healthy living.

The Lung Association would like to begin by commending the government of Ontario for bringing forth smoke-free legislation. This legislation stands for health and means a great deal to the people we serve who live with lung disease in our communities.

One of the Lung Association's leading objectives is to prevent young people from ever starting to smoke and to help them quit if they do smoke. The Lung Association promotes smoke-free air in the workplace and actively supports legislation to regulate and/or prohibit smoking in public enclosed areas. We also work with public health officials, hospitals, universities, community groups and other health agencies to protect the air we breathe.

The Lung Association is strongly in favour of a 100% smoke-free Ontario, and we urge this committee to take back our recommendations. We ask that, once the smoke-free bylaw is passed, the province provide a proper budget to effectively educate and prepare the public for the legislation as well as provide sufficient enforcement upon its implementation.

There are a few key things I must mention as I speak on behalf of the Lung Association that are of utmost importance to us.

The Ontario Lung Association urges the government to protect youth from tobacco advertising by prohibiting tobacco promotion at all points of purchase with no exceptions, including retail promotional displays such as power walls. These displays are visible to young and old, to smokers and non-smokers. They're inconsistent with the tobacco industry's claim that they only promote to adults.

The Lung Association does not support ventilation of any kind as a solution to the second-hand smoke problem. There is only one way to eliminate second-hand smoke from indoor air, and that is to eliminate the source. We strongly urge all MPPs to uphold the government's current intention to eliminate all designated smoking rooms in hospitality premises as of May 31, 2006. We also recommend that the allowance for designated smoking rooms in long-term-care facilities be removed from Bill 164. We need to protect the workers who attend to residents living in long-term-care facilities.

I would now like to turn the floor over to Carole Madeley, a regional respiratory therapist who works with

Lakeridge Health Corp. She can speak to us from a medical standpoint and her day-to-day work with people living with lung disease in our communities.

I'd like to thank you for the opportunity to speak with you today. And please remember: When you can't breathe, nothing else matters.

Ms. Carole Madeley: Thank you for allowing me to speak today. My name is Carole Madeley. I'm a registered respiratory therapist. I've been working in the Durham region for the last 23 years, and I'm presently employed with the Lakeridge Health respiratory rehabilitation program.

Respiratory rehabilitation is a comprehensive education, exercise and psychosocial support program for people suffering with COPD, chronic obstructive pulmonary disease. Most of you might be more familiar with chronic bronchitis and emphysema. Ninety-five per cent of COPD is caused by cigarette smoking. There is no doubt about that.

COPD is a slowly progressive lung disease. As the disease progresses, the person experiences reduced quality of life due to limited activity and increased breathlessness. Patients with COPD use many health services, including ambulatory care, hospitals and medications. The projected increase in cases will place major demands on our health care system and a significant cost on our society.

In 2000-01, COPD in-patients' cost alone was \$107 million in Ontario, and there were 40,000 ER visits across Ontario. In Ontario, COPD is a major cause of death and disability. Three thousand, three hundred and ninety-three Ontarians succumbed to COPD in the year 2000.

Durham region hospital admissions for COPD are higher than the benchmark when compared to other Ontario hospitals. In 2003-04, Lakeridge Health Corp. had 525 hospital admissions with a main diagnosis of COPD. With an average length of stay of 8.25 days, this cost our local health care system \$3.5 million. COPD is the fifth leading cause of hospital admissions at Lakeridge Health Corp.

The percentage of daily smokers in Durham region is higher than the provincial average, and over a quarter of Durham adult residents continue to smoke.

Upon hearing the detrimental health effects and astronomical costs I have outlined, I hope I leave this committee with the knowledge that there are simply no alternatives and no exceptions to 100% smoke-free that don't compromise the health of us all.

I would like to thank the panel for their time.

Mr. Reginald Lyon: My name is Reg Lyon. I'm 71 years old. I smoked for about 35 years. As a consequence, I have a companion here. To emphasize the difference between not being able to breathe and anything else, I can walk in a mall and somebody on crutches can speed past me like he's going 100 miles an hour to what I am walking. Not being able to breathe is an unbelievable consequence from smoking. I can't jump in my car and say, "Well, I'm going to Niagara Falls; I

have five hours here." Or it means I can go to Niagara Falls and I can turn around and come right back, but I can't do anything else.

If I struggle too hard, there's a kind of delayed reaction in the breathing problem where all of a sudden I find that I am now absolutely gasping for breath and struggling away because I've over-exerted myself and the delayed reaction kicks in. It's hard at times to calculate when you have gone past that point of no return. That's why I suppose that a lot of people with my problem are hospitalized: They go through that limit and can't get back without hospital care. Other than that, I have a good quality of life as far as I'm not in a wheelchair.

One of the problems with smoke, which everybody is talking about here, is with entrances to facilities. I attend the Iroquois sports facility twice a week to watch my grandchildren swim and do other activities there, but I have to run the gauntlet of going through the entrance where people are smoking on both sides. Even though it's out in the open, it has a tendency to make me cough because of the exertion of walking to and from that facility. If I was in a wheelchair, maybe I would be better. But to exert myself, the breathing in of this second-hand smoke, although I do not begrudge smokers their cigarettes—I enjoyed them myself for many years, so I know what they're going through. It is a problem for people with my affliction to walk through this gauntlet, as I call it, twice, by going in and coming out. I sometimes wait inside or outside until somebody has put their cigarette out so that it's not so much. It really is a problem going to these facilities, even malls. Everybody stands outside the doors. You can't get by it.

Anyway, I hope I've enlightened everybody on what COPD is. I have emphysema. I can't say too much more; I'll keep you here all day. Thank you for listening to me.

1140

The Chair: Thank you. I think you've made your point. We will now move to questioning, and this round goes to the government.

Mr. Fonseca: Thank you, Mr. Lyon, for that testimonial and your presentation, and thank you, Ms. Harris and Ms. Madeley. These testimonials are so important as this committee goes to different municipalities. I know Mr. Barrett often asks for the evidence and what the coroner's report says: Does it say "smoking" on the ticket when somebody passes away due to a smoking-related illness? To have the testimonials here around the effects of smoke and tobacco on individuals, it's very important that the public hears this. We thank you very much for your comments today.

COPD: Ms. Madeley, I think you brought up that 90% of COPD patients are due to—

Ms. Madeley: I brought that up; 95% of the causes of COPD is cigarette smoking, and there is no doubt about that. Another 4% would be due to industrial air pollution. The other 1% is an inherited form of emphysema called alpha-1 antitrypsin deficiency, but only 1% of the population has that. It's a genetic problem.

Mr. Fonseca: I want to thank the Lung Association and all the units you have across the province for the

great work you do in terms of prevention and helping those who have lung disease. There are a number of things you've brought up, like COPD and asthma, and we know that with this piece of legislation, Bill 164, we will create a smoke-free Ontario. It will also give all those who have many lung ailments, or any other, the opportunity to go into public places, into workplaces, and not feel they're going to have an attack that could be fatal, and will make sure those are safe environments for everybody around the province, knowing that DSRs are not effective. Studies have shown the leakage from that smoke could trigger one of these attacks.

You brought up the prevention issue, and particularly youth. Minister Smitherman wanted to make sure that our tobacco strategy focused on youth, because the best way to stop somebody from smoking is to make sure they don't start in the first place. We know that big tobacco is spending multi-millions of dollars to prey upon our youth to get them to start smoking. I know you have a number of youth campaigns running throughout the province and I congratulate you for that. We wanted to make sure youth were really heard in this campaign.

This campaign was put together—many may have seen it; it was the stupid.ca campaign. The word was not something we came up with; it was something youth came up with. It was a campaign made by youth, for youth. There were a number of focus groups around the province—I think about 500 youth were involved—and then a committee of 12 was put together. They helped in terms of developing, through a group called Youthography, a number of commercials. I was wondering if you saw those commercials and maybe some of the feedback you got from the youth you see on a daily basis.

Ms. Harris: We've most definitely seen the commercials, and we commend the government for taking on that project. Our information shows us that if the messages are delivered by youth to youth, they ring much more true to them.

We're doing a lot of work in the area of youth prevention when it comes to tobacco and trying to prevent young people from ever starting. We certainly did get a lot of positive feedback on those advertising campaigns. The Lung Association itself has recently launched one concerning second-hand smoke and young people called Secondhand Blows! It's a follow-up on your campaign as well. So we thank you for that. It is effective advertising; we know that.

The Chair: Thank you for appearing before the committee this morning.

For the committee, lunch will be next door. The room will be secured, but we suggest you take any personal belongings with you. We are recessed until 1 o'clock.

The committee recessed from 1145 to 1300.

COUNCIL FOR A SMOKE-FREE DURHAM REGION

The Chair: The standing committee on finance and economic affairs will come to order. Our first presenter

of the afternoon is the Council for a Smoke-Free Durham Region. Would you please come forward. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

Ms. Carolyn MacDonald: I'm Carolyn MacDonald. I'd like to thank the chairman and members of the committee for the opportunity to speak today. I represent Durham Lives! Council for a Smoke-Free Durham Region. Durham Lives! is a coalition of agencies and community members who are working together to prevent heart disease and cancer. The Council for a Smoke-Free Durham Region has been focusing on tobacco control for many years. Council members advocate to reduce smoking rates in Durham region and protect Durham residents from second-hand smoke.

The Council for a Smoke-Free Durham Region strongly supports the proposed Smoke-Free Ontario Act, Bill 164. This act will make tobacco promotional displays such as countertop displays illegal. Much evidence is available to show that tobacco promotion and advertising increases tobacco use. Point-of-sale promotions stimulate impulse purchases. The highly visible packages of cigarettes present a great temptation for occasional smokers or ex-smokers trying to stay smoke-free. Tobacco products featured alongside candy and snack foods create the impression that tobacco is socially acceptable and used more widely than is actually the case. This is especially important in preventing children and youth from starting to smoke. The council strongly supports the inclusion of power walls in the ban on tobacco displays.

The legislation will also make all public places and workplaces in Ontario smoke-free and provides a great opportunity to protect the health of all residents. Second-hand smoke is a serious health hazard. Deaths resulting from exposure to second-hand smoke are 100% preventable. Bill 164 will protect all workers and members of the public from second-hand smoke. Currently, over 50% of Ontario communities have passed their own smoke-free bylaws. This has, however, created varying levels of protection from second-hand smoke for workers and patrons, as well as youth. Bill 164 will provide equal protection for all Ontarians and create a level playing field for businesses across the province.

It is well known that there is no safe level of exposure to second-hand smoke. People do not have to risk their health in order to earn a living. We support the province in passing legislation prohibiting smoking in bars, restaurants and casinos.

Here in Durham region, our bylaw still allows designated smoking rooms in bingo halls and racetracks. Long-term-care facilities are also permitted to have designated smoking rooms, creating the potential requirement for staff in these facilities to enter these rooms. As a result, they are exposed to second-hand smoke, putting their health at risk. The only casino in Durham region has also been granted an exemption, and there is unrestricted smoking in this facility. Protecting casino workers from

second-hand smoke is no less important than protecting bar and restaurant workers, especially given that casino workers are exposed to some of the highest levels of second-hand smoke in the province. Bill 164 will protect all workers in Ontario.

We are pleased that Bill 164 will not include provisions for designated smoking rooms. Research has taught us that designated smoking rooms do not provide protection from exposure to second-hand smoke. Ventilation is often presented as an option when considering smoke-free legislation. Ventilation provides no solution to the problem of exposure to second-hand smoke, as there is no ventilation system capable of removing all tobacco smoke from the air. Scientists around the world agree that the only safe level of exposure to second-hand smoke is no exposure at all.

The Council for a Smoke-Free Durham Region commends the government for its efforts so far to protect Ontario residents from the effects of second-hand smoke. People have no choice about breathing second-hand smoke. Bill 164 will protect all workers from second-hand smoke.

Smoke-free public places are not just about protecting non-smokers. It's about helping smokers to smoke less and to quit, it's about giving positive role models to children so they don't become addicted to tobacco and it's about protecting workers so they don't have to be exposed to smoke simply to make a living.

I thank the committee for this opportunity to speak and I urge the members to vote in favour of the legislation.

I also have a letter addressed to the committee from a local Legion president which I'd like to read at this time:

"Dear Chairman and members of the committee:

"My name is Don Vipond and I am writing in my capacity as president of Royal Canadian Legion Branch #152 located"—at 56 Baldwin Street—"in Brooklin, Ontario.

"On June 1, 2004, the general membership of our Legion branch made a decision to make our facility 100% smoke-free. This has proven to be an excellent decision, as we have experienced many benefits to being smoke-free. We have found that our revenue has increased since that time. Staff members are happy because they do not have to spend eight hours in a smoky environment. Our membership has increased and we have experienced a return of members who had not visited the Legion in a long time. We have repainted our premises and received many compliments about the fresh, clean environment.

"I am in favour of the provincial government passing this smoke-free legislation.

"Regards,

"Don Vipond"

The Chair: Thank you. This round of questioning will go to the official opposition.

Mr. Barrett: Thank you for the presentation. You indicate that there's no ventilation system capable of removing all tobacco smoke from the air. I wonder whether

you have any more specific information on that, because we we certainly have been told about systems in mines, for example, and laboratories, or a computer manufacturer, where it's important to have negative pressure and to remove the air and remove any virus or bacteria that may be in the laboratory.

1310

Ms. MacDonald: I know that the research does exist about the ventilation systems and that they are not 100% effective. I don't have that research with me, but certainly we could make that available.

Mr. Barrett: If you do have a research paper, that would be useful for the committee.

Again, you make mention of the deaths resulting from exposure to second-hand smoke. I certainly contacted the coroner; I haven't received anything, as far as a death certificate or a coroner's report on deaths from second-hand smoke.

Ms. MacDonald: I can't speculate or offer that sort of research, but there's certainly research there to support that deaths are caused by smoking or second-hand smoke.

Mr. Barrett: It just hasn't been presented yet.

Mr. Fonseca: On a point of order, Mr. Chair: Just toward Mr. Barrett's question, there is the American Society of Heating, Refrigerating, and Air-Conditioning Engineers, an international authority on setting ventilation standards. They have said that no ventilation technology completely eliminates exposure.

The Chair: That's not a point of order.

Mr. Barrett: I was hoping I had some more time left here.

In the Durham region, the bylaw, I guess it would be just last June, established designated smoking rooms in certain facilities and not other facilities. The councillors would have made this decision to have DSRs at bingo halls, at racetracks, at the casino in Durham region and in long-term-care facilities. Just reading your brief, why would they have made that decision? Is there evidence that second-hand smoke would be less of a nuisance for people at casinos?

Ms. MacDonald: I can't speculate or answer for the members of Durham region council, but certainly from the Council for a Smoke-Free Durham Region, our efforts are based on trying to protect the residents of Durham region to prevent heart disease and cancer.

Mr. Barrett: Resulting from second-hand smoke?

Ms. MacDonald: Yes.

Mr. Barrett: And if it was removed by a ventilation system, is it still your position that—

Ms. MacDonald: We're not convinced that the ventilation systems are 100% effective, so I can't answer that.

Mr. Ouellette: We heard some presentations earlier on from some of the groups dealing with bingo halls and other areas. Their concern that came forward was that—if I remember their statistics correctly—70% of their patrons who come into those locations were smokers and that a large number of charities would be negatively affected. Do you have any idea of what you would expect to take place in situations like that?

Ms. MacDonald: I can't speculate, but again, our focus is on the heart health and the cancer prevention of Ontario residents.

Mr. Ouellette: We had a presentation from Doug Finney, the president of Branch 43, who countered the opposition or the presentation from the Brooklin Legion there, regarding the numbers and the attendees. We heard another one from Jack's Saloon that said they had a increase of 240 memberships in the legion at the north end because of the change. So we're hearing different things as to how they're being affected. I don't know if you've had a chance to look and see why, in Brooklin, there was such a change in the number of increases. I don't know. I don't go up to Brooklin at all. But you read the presentation, so I wonder if you had any other reasons for that taking place.

Ms. MacDonald: No, but I'm sure each legion will have their own reasons for it taking place. I can't speak on their behalf.

Mr. Ouellette: Yes, but you did when you read—

Ms. MacDonald: Certainly I have this one, yes.

Mr. Ouellette: So I thought maybe you had some more information or some insight as to why that took place. I appreciate your presentation. Thanks very much.

The Chair: Thank you for your presentation.

SMALL GUYS TOBACCO GROUP

The Chair: Small Guys Tobacco Group, would you please come forward. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your name for the purposes of our recording Hansard. You may begin.

Mr. Mirsad Jakubovic: Mirsad Jakubovic. I represent the Small Guys Tobacco Group. We do not make, sell or distribute cigarettes. We are Ontario companies in the cigar business. You might think that an organization with the word "tobacco" in its name would appear before you to oppose Bill 164 in its entirety. Let me assure you that's not the case. Ontario's cigar manufacturers, distributors and retailers understand the intent of Bill 164. The government intends to severely curtail the smoking of cigarettes in the workplace and public places in order to protect the non-smoking public from second-hand smoke. The government also wants to discourage young people from starting to smoke, and it wants to significantly change the ways that cigarettes are sold at retail.

Small Guys Tobacco Group does not oppose the intent of Bill 164. We do oppose, however, having our products treated the same as cigarettes in the legislation. The federal government, through Health Canada and taxation, and the Ontario government, through taxation, recognize that cigars are different from cigarettes, and treat them as such. Cigars are not intended to be inhaled. Young people do not smoke cigars. Unfortunately, the bill as currently drafted will have drastic unintended consequences for our industry, even though the bill is sup-

posed to be about cigarette smoking. I'll go into details on how.

I'd like to speak for a moment about the countertop display ban. The bill proposes to ban countertop displays for all tobacco products. We understand that such displays of cigarettes can be a form of an in-your-face method of marketing that the government believes is bad for children. In convenience and variety stores, cigars are excluded from being displayed on back walls. Frankly, cigarette manufacturers pay store owners for displaying their products. We cannot compete.

We, therefore, display our products on the counter in Health Canada-approved storage units and humidors. Such approval requires that these units must open only from the rear and that customers cannot handle our products prior to purchase. Precluding cigars from countertop display cases would effectively remove these from the stores. Humidors are required to keep cigars fresh and keep them from deteriorating at a certain temperature and a certain humidity. Therefore, we request that a ban on countertop displays not apply to cigars.

We would ask that if the government intends to change or restrict the display of cigarettes on the back wall of retail stores, a provision be made to prescribe space for cigarettes, space for cigars and space for pipe and other tobacco products.

In specialty cigar shops and tobacconists' stores, the bill as drafted would prevent the countertop display of cigars in these stores, which are attended only by cigar-buying customers and which are in the business of selling cigars. Non-smokers don't go into these stores. Young people don't go into these stores. The chance of a young person entering one of these stores to buy a chocolate bar and coming out with a Cohiba is non-existent. However, the bill as written would prohibit cigar stores from displaying their cigars. The impact of this measure on these small businesses would be devastating.

Next, I'd like to comment on smoking in the workplace. The government intends that Ontarians should be able to work without being exposed to second-hand cigarette smoke from others. The Small Guys Tobacco Group does not disagree. Unfortunately, the bill as drafted will preclude cigar manufacturers, importers and distributors from testing, developing and quality controlling our products before they are shipped to retailers.

Testing is important in responding to consumer complaints and returns. Our facilities are workplaces under the law, but they are also places of business all about cigars. We require testing areas within our facilities. Cigars are not mechanically mass-produced like cigarettes. They're vary widely and need to be tested for quality and flavour before being shipped. Bill 164, as drafted, would prevent this from happening.

I have a brief comment on smoking in public places. Bill 164 intends that indoor public places should be smoke-free, again, to limit people's exposure to second-hand cigarette smoke. We do not oppose this.

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Currently in Ontario, many specialty cigar stores or tobacconists have dedicated areas within them where a

customer can test a cigar before purchasing a box. Given that a box of fine cigars will cost hundreds or thousands of dollars, this is a reasonable request. Only customers who have business with that specialty shop make use of this space. The general public does not access these areas. In other words, these privately owned stores are not places where anyone can just duck in and have a quick smoke. Children are naturally excluded from tobacco shops.

Bill 164, as drafted, would end this practice, as these specialty stores would be considered public places. We believe this is an unintended consequence of Bill 164. Store staff generally spend their time in the counter retail section of these specialty stores. The sampling rooms do not need to be staffed. The only people who frequent these rooms are cigar smokers themselves.

Finally, I would like to comment on experiences in other jurisdictions. Health Canada recognizes the fundamental difference between cigarettes and cigars and regulates them accordingly. So do California and New York state, where smoking bans have been implemented. Exemptions exist for manufacturers, distributors and retailers of cigars. This is a matter of fact.

In conclusion, I submit that clearly, the target of Bill 164 is cigarette smoking in Ontario. Just as clearly, the bill will have a proportionately bigger impact on the cigar manufacturing, distribution and retailing industries, which are predominantly small businesses, with considerably less impact on the cigarette industry.

We believe that the government does not intend to devastate our businesses. We urge this committee and all members of the Legislature to amend Bill 164 so that the cigar industry does not become an unintended victim of the government's plan to reduce cigarette smoking in Ontario.

Thank you for your time. I'll be pleased to answer any questions.

The Chair: Thank you. This round of questioning will go to the NDP.

Ms. Martel: Tell me about smoke rooms, or cigar lounges, as I think you described them here. How are they normally set up?

Mr. Jakubovic: Normally, there's a retail area and a separate, enclosed area that has smoking. They generally have ventilated areas. There's no service, so there's no wait staff required. Most staff are in the retail area, handling the retail side of the business. A smoker would go into the room, the door would be closed, and there's a ventilation system in that place.

Ms. Martel: We've heard concerns about ventilation in DSRs. My next question would be: What assurances can you give, if you can give any, that these ventilated areas are any better than ventilated areas in DSRs, which we've heard from a number of other people don't really work?

Mr. Jakubovic: I would think that ventilation would be put in place to maintain the best air possible. I don't know why ventilated areas don't work. If the door's closed and if the room is used properly, it should work. I believe most stores are set up that way.

Ms. Martel: Do most tobacconists' shops also have these areas?

Mr. Jakubovic: Not most. A fraction would have them. I'm not sure about the exact numbers. Some have; some don't. Generally, the larger tobacconists' shops do have a separate area.

Ms. Martel: We have before us two issues. For those who do have cigar lounges, as you've called them, it's whether or not they continue to be in existence, especially if the committee, for example, has concerns about ventilation, as has been raised with respect to DSRs. That's one issue. We've got a second issue where you've talked about testing facilities. I'm not sure I understand that. How big is that market?

Mr. Jakubovic: Manufacturers and distributors, on receiving complaints or comments on their cigars, or in preparing to ship a type of cigar, will need to test cigars. Cigars are unlike cigarettes. Each one is unique. There are no additives or chemicals being added; it's just a tobacco mix that's in there. They can be rolled too tight—most of them are hand-rolled—or too weak to get the right smoking intensity, the correct draw. If there are complaints, the only way to check these cigars is to smoke them, and experts in the company would do that. It's for distributors and manufacturers, as a quality control of their product.

Ms. Martel: Do you ever get people who say they don't want to do that as part of their employment? I'm not trying to make fun of this by any stretch.

Mr. Jakubovic: It's not a job we hire people for. It's something that people who are cigar smokers do, because the only way you can test a cigar is to be a cigar smoker and understand the product.

Ms. Martel: How many testing facilities would there be in Ontario?

Mr. Jakubovic: It would be based on the number of manufacturers and importers. Each company would probably require one room, I imagine.

Ms. Martel: If I look at banning the cigars you would have on display—I'm thinking about a display, because you sell other tobacco products in terms of pipes etc. How much of your countertop display is the actual product itself?

Mr. Jakubovic: The units themselves are basically humidifying units. They have a mechanism for maintaining humidity. It's very controlled in how it's sealed and how it's accessed. The cigars are in almost like a refrigeration-type unit. Virtually the whole unit is dedicated to holding those cigars. There's no display aspect to it in the sense that it's being used to hold and humidify the cigars.

The Chair: Thank you for your presentation.

Mr. Ouellette: On a point of order, Mr. Chairman: I would ask the researcher if they could provide information on how many cigar manufacturers there are in Ontario so we could receive that information at a later date.

As well, the PA may be able to respond and provide some information as to how tobacconists' places like this

might be affected as it relates to countertop displays when that's the sole function of the store.

The Chair: Very good. Research will look into that matter, as will the PA.

WHITBY YOUTH COUNCIL

The Chair: I would ask the Whitby Youth Council to come forward, please. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. Please state your name for the purposes of our recording Hansard. You may begin.

Ms. Tanya Wagner: My name is Tanya Wagner. Mr. Chairman and committee members, I would like to thank you for allowing me to talk to you about an important issue that affects youth province-wide.

I represent the Whitby Youth Council, which is located at 111 McKinney Drive in Whitby, Ontario, L1N 5R5. Our council was formed in 2002. Our goal is to promote opportunities for youth in the town of Whitby. Our interests extend to advocating for healthy environments for youth to grow up in. This is why we would like to talk about tobacco displays in stores and why they should be banned to protect youth.

We support the Smoke-Free Ontario Act. We support smoke-free public places and workplaces. We support anything that reduces youth smoking and accessing cigarettes. We support these things because they stop smoking from being the norm in our community.

Before preparing this presentation, I believed that about 40% of teenagers smoked and about 75% of adults smoked. I was shocked to learn that only 21% of teens smoke and only 25% of adults smoke. I found out in preparing this presentation that the more we see cigarettes, the more we think it is normal. Obviously, I was fooled into thinking more people smoke than is the case. We at Whitby Youth Council don't want more youth to be fooled as well, because we know that the more teens think smoking is normal, the more teens will smoke. Making public places and workplaces smoke-free and banning tobacco advertising will help achieve this goal.

We've learned that many tobacco companies pay for retail displays in order to make cigarettes appear to be more popular than they really are. To do this, they often install a large power wall of cigarette packages in quantities far more than is necessary to supply consumers. You have undoubtedly seen them when you have gone into a corner store, and so have the youth of Whitby.

Displays that place tobacco beside other products send a message that tobacco is as socially acceptable as candy or newspapers. We shouldn't grow up in an environment where we see tobacco advertising every time we go into a corner store, including stores next to schools.

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Tobacco advertising and promotion increase smoking and the number of youth who start smoking. A ban on such advertising and promotion would decrease smoking among adults and youth. That would be an amazing thing to see.

In preparing this presentation, we found out that retail promotion was growing in spite of the 1997 Tobacco Act, which had been intended to restrict tobacco promotion. As other marketing avenues have been closed—for example, mass media advertising—tobacco companies have increased their emphasis on retail displays. Product displays at retail stores are now far larger and more numerous than was previously the case. In Canada, in 2002, tobacco manufacturers paid \$77 million to retailers for retail display space.

A ban on tobacco advertising and promotion will protect kids from exposure to tobacco promotion. This will mean fewer kids starting to smoke. We applaud the Ontario government for making this investment to protect the health of its youth.

On a personal note, I used to smoke and believed that it was the normal thing for teenagers to do. I started when I was 14, and I'm 16 now. I would get my cigarettes from friends, who bought them from stores without using any fake ID. The new law will reduce the number of teens who smoke due to the so-called normality of cigarettes.

Fortunately, I was able to quit. But recently I was thinking about why I smoked in the first place. I smoked du Maurier and sometimes Players, and I noticed the other day that those two brands were the most noticeable behind the counter of my local store.

I think I am living proof that tobacco advertising affects teens. This is why I wanted to talk to you about it today and ask that you ban retail displays of cigarettes, including power walls. Thank you.

The Chair: The questioning will go to the government.

Ms. Judy Marsales (Hamilton West): Thank you, Tanya, for your presentation. I must applaud you for the leadership you're demonstrating, not just by your involvement but your strength of character, to be able to speak up for something that you believe in by giving voice to young people to choose another path.

One of our struggles through all of this is to try and expose young people to some of the factual information that you've managed to glean through your personal research. In your view, what could we do better to reach young people? We've tried the commercials, stupid.ca.

Ms. Wagner: Those are good. When I started seeing them, even smokers who were my friends, they were just like, "Oh, my God, I must be pretty dumb."

Ms. Marsales: It's the peer pressure. I think we've all learned through the research that that is part of the magnet that attracts people in terms of smoking and other issues. Is there something we're missing? Is there anything more we can do to engage young people, to help them learn either from each other or from just denormalizing the whole cigarette industry?

Ms. Wagner: I don't really see any way we can really get children away from it. I pretty much started because my mom smoked. I would get it from her, like steal it from her. But I didn't even get involved with people who did smoke until I started myself.

I don't really see any way we could, unless everyone stopped and just got it away from children. My mom

would always tell me about the harms of it and how bad it was, but it still didn't change my curiosity about it. So I don't really see any way we can unless everyone stops.

Ms. Marsales: Thank you, Tanya, and thank your mom too.

The Chair: Thank you for your presentation.

MAC'S CONVENIENCE STORES

The Chair: Mac's Convenience Stores, would you please come forward. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard.

Mr. Steve Tennant: I'm Steve Tennant from Mac's Convenience Stores. I'm director of operations for Ontario.

Mr. Ted Wigdor: My name is Ted Wigdor, but I won't be speaking.

Mr. Tennant: I represent Mac's Convenience Stores. We operate over 1,900 stores across Canada, including 797 in Ontario. We represent about 13% of the market of C stores in Ontario. We have over 20,000 employees in Canada and 5,000 here in Ontario. We work in an industry that works on a very low margin of profit. At the same time, Mac's are very committed to the well-being, health and safety of our communities. We've donated in the last year over \$10 million to local charities through our break-open tickets, the Nevada-style tickets.

We fully comply with all tobacco control regulations and are very proud of our track record. No one starts working behind our counters before they're fully trained on how to legally check and verify ID. They are also not allowed to work behind our cash registers before they've been thoroughly trained on safety and security methods. At the same time, before any sale can be transacted on our cash registers, there's a prompt that comes up that shows the age verification that has to be legal for the sale to be processed. So we're checking every single sale.

With regard to Bill 164, we fully support the initiatives to educate youth on the dangers of smoking and to curb the flow of tobacco to youth. Couche-Tard has worked closely over the years with the Not to Kids Coalition, which started in Scarborough, and has rolled out to 18 different health boards across Ontario. Not to Kids is a benefit to us and one that we support because it gets right into the schools and teaches kids at a very young age the health concerns around tobacco.

We support Bill 164 regarding the efforts to curb consumption of tobacco. At the same time, we are pleased that Bill 164 did not include a retail display ban on the back bar section for the following reason: When a total ban was instituted in Saskatchewan the first time, there was actually an increase in tobacco consumption by 7.5%. That's from StatsCan's numbers and can be verified. To our knowledge, we have not seen a single, unbiased, scientific study that directly links a back bar display of tobacco to increased consumption by youth.

Next, it would be very costly for us to implement changing our whole back bar to a safe and effective manner of selling cigarettes. Attached in our handout is our cost, estimated at slightly over \$4,000 per store.

Lastly, to ban the back bar display or hide away the tobacco would create a safety and security concern for our staff. Within the last fiscal year, which ends on Sunday, we've experienced over 160 armed robberies, putting our staff at a great deal of risk. That means that almost one out of every four stores experienced an armed robbery last year. The financial loss was inconsequential at \$125,000. It's the trauma and injury caused by those robberies and the risk to the life and safety of our staff that are our primary concerns. We've worked diligently over the years to reduce the risk to our staff and had it down to a manageable level, but because of the high taxes imposed and the higher value of tobacco since 2002, we've seen a 30%, and then last year a 50%, increase in armed robberies.

This has also translated into an increase of \$200,000 in WSIB payments this year alone. Those are a direct result of our employees' lost time from injury during armed robberies and the trauma caused experiencing an armed robbery. Our staff have been stabbed. They've had a shotgun put to their head and held there for 10 minutes while they waited for a safe that holds a large quantity of cigarettes to be opened.

Those are our concerns. If the back bar is changed, it could somehow divert our staff's attention from looking at the customer. Our primary concern is that our staff be aware of their surroundings and what the person on the other side of the counter is doing, or potentially could do to them.

Regarding education, we've asked the government over the last year to work with us to expand the Not to Kids program or other educational programs, to reach further and consistently across the province to educate at a young age on health issues related to tobacco.

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Today, the Not to Kids program is across 18 health boards, but there are over 40 health units across Ontario. So it's not even 50% of all the boards. A lot of the boards simply cannot afford it. We would also like them to be better funded and certainly for the government to take charge of it and to have one leader on it. Because it's done across 18 different municipalities and boards, it's enacted in different methods and handled in different methods.

The next step we would ask the government to take is to improve the age verification system. Make it easier for us and for our clerks to check the age of the person buying the cigarettes on the other side of the counter. In the US, there are a number of the states that have changed the colour of their driver's licences. When you're at the age of majority and you can buy alcohol or tobacco, depending on the state laws, your driver's licence colour changes. It's simple and easy to verify. If it's red, you can't have it; if it's green, you have age verification. Other states have a vertical bar code. When

you come of legal age to buy age-restricted products, it changes from vertical to horizontal. They're wide, they're easy to check at the store. Make it easier for us verify the age. Take away the guesswork of guessing a person's age. We're asking consistently for 25 and younger, but it's still a judgment call. Make it easy for us, please.

Lastly, we're at risk. Convenience stores are in every neighbourhood, on every corner. We're open late. We have limited staff. Lots of our stores are open 24 hours. We're at risk already. Our experience has shown that we've had lots of robberies. What's happened because of the higher taxes is that the value of cigarettes has gone up substantially. Because of that value, it's a greater reward for the bad guys. The greater the reward, the greater the risk becomes for my staff and for the rest of the industry. That's my primary concern: the safety and security of my staff. The back wall displays are the safest, most efficient method we have found to sell cigarettes. If there was a better way, we'd do it to protect our staff.

The back bar also represents a primary tool for how we sell tobacco, in that our stores carry over 300 SKUs, different products. To simply display that quantity of cigarettes, those products that our customers are looking for, we need a space. We're happy to work with the government to reduce that space and to ensure that there will be no advertising on it. Our company is committed to voluntarily removing counter displays by June 1, before this legislation is passed or enacted. We will be removing our counter displays no later than June 1 of this year, along with many of the other industry leaders.

We hope to continue to work with the government on this issue. Mac's and our employees are no different, I think, than this panel or the rest of the Ontario public. We don't want our children to smoke, we don't want our grandchildren to smoke. We will do everything in our power to help the government and work with the government to ensure that we remain a responsible retailer within this industry.

The Chair: The questioning will go to the official opposition.

Mr. Ouellette: Thanks very much for your presentation. A couple of points: First of all, the bar-coding I think was a good idea, but I'm sure the government will find that different ministers, working with different ministries, sometimes find it difficult to implement.

What percentage of the sales at your stores would be dependent on cigarettes?

Mr. Tennant: For Mac's, we've worked hard over the years to recognize that tobacco is a sunset category. It is reducing every single year. We're moving more and more to the food service side. Unfortunately, because of the high value of cigarettes, it still represents 35% to 40% of our sales.

Mr. Ouellette: I believe once upon a time it was called Mac's Milk, was it not, because milk was the number one draw for—

Mr. Tennant: Yes, it was.

Mr. Ouellette: We're seeing changes in business aspect, and I would expect, as you imply here, that the sales are decreasing there. Should changes come about, you'll see more and you'll be changing your business to reflect the interests of society as well.

I'm not sure, is Mac's with the counter at the front by the door or at the back?

Mr. Tennant: At the front. When we purchased Beckers, most of the Beckers stores had the counter at the back of the store.

Mr. Ouellette: Yes, that was designed so that you'd have to walk through the store to get the milk and then you'd come back to the front—

Mr. Tennant: And they would serve you the milk.

Mr. Ouellette: —and vice versa for Beckers.

Mr. Tennant: Mac's took them over. We immediately moved them all to the front for one simple reason: safety. If we're in the front window, we can be seen by the street, the police and other people driving by.

Mr. Ouellette: Right. I wasn't on the committee yesterday, but the committee had a presentation from a Korean business group that spoke about the amount of funds they received for product placement. Are you in a similar situation, and what sort of funds—

Mr. Tennant: Yes, sure.

Mr. Ouellette: Is that a substantial amount that comes into the business?

Mr. Tennant: We're probably receiving around \$4,000 a year for the displays. That includes the front counter displays. We probably have two or three displays that we're voluntarily going to remove.

Mr. Ouellette: I know my colleague Mr. Barrett has some questions regarding the safety issues.

Mr. Barrett: We certainly heard in previous testimony the fact that one in four stores is robbed every year. You've indicated that it's reflected in WSIB premiums and the impact on your employees. You state here that you applaud the government with respect to the back walls. You applaud the government for taking these issues into account and not incorporating a retail display ban in Bill 164. Do you have some concerns about this government changing its mind on this?

Mr. Tennant: Hopefully not. If the displays are reduced, that's fine. I understand the advertising should be removed. That's my concern. If it's hidden behind a curtain, hidden behind some panelling, hidden in drawers, my staff's attention is diverted from that customer. It slows us down. It may seem like a very insignificant percentage or timeline for you, a second or two seconds, but frankly, if you look at it, the average armed robbery in our stores take less than 30 seconds—full transaction. From the time they enter to the time they leave is less than 30 seconds. So a second or two is an awfully long time.

Mr. Barrett: Armed robbery—why are people stealing cigarettes? We heard testimony that a carton costs \$60. We know that the present government has increased tobacco taxes three times in the last year and a half. Not just this government, but governments across the Domin-

ion of Canada bring in \$8 billion every year in tobacco taxes. Have you seen any increased contribution from the government as far as assisting you with these armed robberies? There's a 50% increase in armed robberies since this government has come into power?

Mr. Tennant: No, we have not. I should clarify: There has been some discussion with the city of Toronto. The new police chief has asked for some time. He has an initiative in place that he's going to try to focus on small convenience stores and variety stores and help us reduce the level of robberies, armed robberies in particular, within Toronto.

Mr. Barrett: I would suggest the city of Toronto, his employer, probably doesn't accrue any of that \$8 billion in tobacco taxes that come in, but it's going to come out of the municipal budget.

Mr. Tennant: Yes. We are also part of the Ontario Convenience Store Association, which commissioned Norm Inkster to do a study for us last year. There is a direct link. Mr. Inkster has indicated that rising taxes, the rising value of cigarettes have a direct link to rising crime rates. The greater the reward, the greater the risk for my staff.

The Chair: Thank you for the presentation.

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PORT PERRY HIGH SCHOOL, AMBASSADOR PROGRAM

The Chair: I would call on the Port Perry High School ambassador program to please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your names for the purposes of our recording Hansard, and you may begin.

Ms. Olivia Puckrin: I'm Olivia Puckrin.

Ms. Caylie Gilmore: And I'm Caylie Gilmore.

Ms. Puckrin: We are students from Port Perry High School. We're here representing the ambassador program of our school, which aims to promote leadership qualities in students. Recently, we've been focused on the issue of tobacco in society and, more particularly, with youth.

We love the stupid.ca commercials that came out this year. Our favourite ones are the lightning rod one where a girl stands in a lightning storm and explains that only three people a year die from lightning strikes, whereas more than 16,000 people die from smoking. The other one we like is where the guy wears an antler helmet in the woods during hunting season and explains that only two people died last year from hunting-related accidents—far less than the 16,000 who died from smoking. We think these messages are both funny and educational, and we hope that more teenagers get the message about what is really stupid.

Inspired by that campaign, we have designed our own posters to go up in our schools, and we distributed them to youth groups and schools across the region. I've brought copies in for the committee to see.

This one says: "The odds of dying from a bear attack are one in 56,000. The odds of dying from tobacco are one in three. Don't risk it."

This next poster reads: "The odds of dying from falling out of a window are one in 47,960. The odds of dying from tobacco are one in three. Don't risk it."

The last poster is a bit different. It says: "Your money goes in here. Later, it's given to a tobacco company. The tobacco company develops a marketing strategy to addict more kids. How much would you like to contribute?"

Today, we'd like you to consider the last poster and the line about how the tobacco industry comes up with marketing campaigns to addict youth.

You probably know that tobacco companies aren't allowed to advertise their products but, still, nearly every kid I know can name about five different brands of cigarettes. How is that? Well, it's no mystery. Every time we go into a store, cigarettes are there. Cigarettes are displayed on the counter, behind the counter and even in the counter. We recently learned that the tobacco industry pays stores \$88 million a year to do this. This advertising not only tempts young adults to smoke, but it makes cigarettes look like a normal product. But no other product will kill you if use it as the manufacturer intends, so how can this be normal?

Society has tolerated tobacco for way too long. We're realizing how dangerous it is, and putting limits on it, like when Durham region went smoke-free in 2004. We look forward to seeing the province go smoke-free with this new act. It's about time that teenagers can work a part-time job and not be exposed to second-hand smoke. But if the province allows cigarettes to be advertised in stores with countertop and power wall displays, well now, that would be stupid.

The Chair: Good. We'll move to the NDP.

Ms. Martel: Thank you, both of you, for being here today and for your work as ambassadors.

A couple of us were having a discussion earlier this morning about the power walls and asking each other what the top five are, because I have never noticed. So what is it that attracts teenagers that doesn't focus on old people like me? Because I couldn't answer the question.

Ms. Puckrin: I think when you go into a store, you're not necessarily thinking about the person who's ringing through the items you're purchasing. If you have a short attention span, you're looking around, and if you have a wall of cigarettes behind you, that's a lot of one product. It seems a bit unusual to constantly have—they're never unstocked, so it's just something that's always there for you to see.

Ms. Martel: Would it be your experience that if you're either in the store or if you're talking to other kids who are in the store, they're also in the store talking about that? You get up to the counter, you're chatting about whatever and then the focus becomes the power wall?

Ms. Puckrin: I don't think it becomes the focus of discussion, but it's in the back of your mind. When you see something, maybe it doesn't click in right away, but

later in the day that thought might come into your head, something that you'd seen earlier in the day and it just sort of stays in the back of your mind. It stays with you for a lot longer than you think, whether you're discussing it or not.

Ms. Martel: In terms of your work and your discussions with other students in the school, just because I want to clarify something, would it be your view that naming the five brands comes from the power wall for most students, for most young people? Is much of that or any of that or a little bit of that perhaps related back to someone in their family smoking and so that's how they make the connection? Or is it just that most people's parents are not smoking—because we see that that decline is there, and that's real—and people's recognition really has to go back to the power wall?

Ms. Puckrin: I think so, because they can't advertise in products that teenagers are able to purchase. If there's no smoker in your family, the only place for you to see that is on the power wall.

Ms. Martel: As you talk to people, that's where they're getting that message from?

Ms. Puckrin: I believe so.

Ms. Martel: I wanted to ask you about general conversations with other students, because you said you've focused particularly on the problem of smoking most recently. What is it about smoking that is attracting young people? I ask that because then I have to say, what do we do to send another message or to reinforce messages that you just shouldn't start?

Ms. Puckrin: I think it's curiosity. You see a product, something like that, and curiosity is human nature, so people are going to be interested in it. Unless you've had it drilled into your head from parents or teachers or peers that smoking is not a good thing, that it's not healthy, then you're on your own to make that decision. If you see it and it appears as a normal product when you see it behind counters and in counters when you're buying a chocolate bar, then it takes willpower to resist it. But I think just get the message out there more, even when you're five years old, that smoking is bad, so that you have that with you all through childhood, and when you get to the point where you're being tempted, you can think back and say, "You know what? I've been told that's wrong for a long time. I don't think it's changed." So just get the message out there even when they're really little.

Ms. Martel: In terms of school, outside of your program—I wouldn't pretend to know a lot about the program, so I apologize for that—what kind of reinforcement do you see now through the education system, for example, of "This is dumb. This is really bad for your health. Don't get started"? Where are those messages coming from in the education system, for example, and what else could we be doing, since students spend so much time at school, to use that as a place where we're reinforcing a message?

Ms. Puckrin: I know in our school the vice-principal has been running a quit-smoking program that didn't

quite get off its feet. It needed more publicity, I think, for that. Also, in health classes students get told that smoking is a bad thing. But by grade 9, when you're taking gym class or health, you've maybe already had the opportunity to try it, so it might be too late. So in the elementary school system, in health class or gym in grade 2 or whenever, when they're really little, hit them with the message that it's bad. So by the time they get to high school, when they see posters displaying that it's a bad thing, it's going to be reinforced even more.

Ms. Martel: Is there information available in the guidance counsellor's office, for example?

Ms. Puckrin: I don't smoke. I'm one of those whose parents have been telling me since I was very little not to, so my attention has never been drawn to something like that in a guidance counsellor's office. But I think if you went to the guidance counsellors, they would have material for you. I think there is a pamphlet or two on how to quit smoking.

Ms. Martel: And where to go, what the community resources are if you're looking for a way to quit. So you think that's available?

Ms. Puckrin: I think so.

Ms. Martel: I don't think I have any more questions.

The Chair: Thank you for the presentation.

NIAGARA COUNCIL ON SMOKING AND HEALTH

The Chair: Niagara Council on Smoking and Health, would you please come forward? Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your name for the purposes of our recording Hansard.

Ms. Charmaine Grace: My name is Charmaine Grace. I'm a council member with the Niagara Council on Smoking and Health. I'm also, in my role, a representative of the Cancer Society, but this is NCOSH. I am presenting here today to support Bill 164, with no exceptions and no exemptions, and actually asking to strengthen section 3.1 on the display, handling and promotion of tobacco products.

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A little bit of background: the Niagara Council on Smoking and Health, or NCOSH, is a community-based organization whose mission is to promote a tobacco-free Niagara. We provide support regarding public awareness on tobacco issues; increased protection from environmental tobacco smoke, or ETS; smoking cessation programs; and a link to other councils and coalitions supportive of such healthy objectives.

Since 1976, NCOSH has been a thriving, active coalition with a diverse membership, working to create a smoke-free Niagara. We work with other smoke-free councils to support the Ontario tobacco strategy. Our partners include the Canadian Cancer Society; Canadian Diabetes Association; the Centre for Addiction and Mental Health; Heart and Stroke Foundation of Ontario;

Healthy Living Niagara, which has 28 agency partners; Leave the Pack Behind; Brock University; the Niagara Lung Association; and the Niagara regional public health department.

On the list that I have is also the Niagara district health council, which, at the end of March, was replaced with a local health integration network.

Our stand is: NCOSH would like to congratulate the provincial government for showing strong leadership and taking a stand on this important issue. We commend the government for putting health first. This bill makes the healthy choice the easy choice. Forty years ago, we didn't know the dangers associated with tobacco and smoking. Smoking and the use of tobacco products became a normal part of our society. Today we know those dangers. We know the toll on the quality of life for people affected by smoking, either directly or through second-hand smoke. I'm not going to go into the medical evidence or the statistics that prove this. That information is readily available. The proof is evident, and as pervasive as cigarette smoke.

It's time to create a healthier norm. The Niagara Council on Smoking and Health has been active in promoting a smoke-free Niagara because it is a question of health, for people exposed to dangerous smoke, dangerous second-hand smoke, and for people who have to work in those atmospheres. It's a question of choice, for the majority of people who choose not to smoke, to be able to frequent public places without placing their health at risk from second-hand smoke. With no bylaws or with partial bylaws, their freedom of choice is limited. Supporting the province in taking a stand to protect the health of the people of Ontario helps us, NCOSH, fulfill our role to promote a smoke-free Niagara.

The Ontario Medical Association strongly recommends a complete smoking ban in work and public places. Today more than 100 municipalities have chosen to protect their citizens with smoke-free bylaws. Seventy-three of those communities chose to go 100% smoke-free, with no designated smoking rooms and no exemptions for bars, bowling alleys or bingo halls. Thirty-one communities have bylaws that include some exemptions, and still other communities have no bylaws. We need one provincial law to protect everyone equally. That means 100% smoke-free, with no exemptions, to protect the people who work in or visit public and workplaces. That includes casinos and bingo halls and other places that may currently have exemptions, because it is about protecting health. With Bill 164, the Ontario government is protecting the health of its people.

NCOSH asks that the province go one step further to strengthen the bill, by recommending that in section 3.1 of the bylaw—display, handling and promotion—the dismantling of tobacco power walls be clearly specified. Research shows that children's exposure to tobacco power walls normalizes the use of and subsequent addiction to tobacco products, and ultimately this leads to further exposure of the next generation to the harmful effects of second-hand smoke. Removing this influence

is a step toward protecting the health of young people. Other provinces and other countries have recognized that tobacco use and second-hand smoke are serious health issues that need to be regulated. They chose to protect their people by implementing smoke-free bylaws. Ontario is to be commended for bringing this bill forward. The next step is to implement it; the sooner, the better. It is a question of health. This bill will make the healthy choice the easy choice.

The Chair: We'll move to the government in this rotation.

Mr. Fonseca: Thank you, Charmaine and the Niagara Council on Smoking and Health, for your presentation.

When the minister, the ministry and the chief medical officer of health were putting this piece of legislation together, they scoured the planet—Earth Day, I believe, is today—to look for other jurisdictions that had smoke-free areas in place. They looked at Florida, New York, California and Ireland—I could go on and on—and wanted to bring the best together to make sure that this was one of the strongest and most comprehensive pieces of legislation and that it would put us at the forefront here in North America.

In doing so, we—I'm going to relate this back to Niagara, because it is a strong tourism area—looked at places like New York City, which also relies strongly on its tourism sector. In New York, when they brought in their smoke-free legislation, there was much concern about the losses that many talked about. What we have seen since that legislation came into place is that they gained 10,800 new jobs within the hospitality sector. They are thriving. There are other places, also: San Francisco is talking about outdoor bans when it comes to their smoking legislation.

If I can ask you: In Niagara, being grassroots, how do you feel this will impact tourism as a whole in that region?

Ms. Grace: The question that has been asked by a number of tourists is, "What are the bylaws? What are the rules?" All they want to know is what the rules are so that they can maintain them. I believe that it will not have a negative effect. We believe that at NCOSH as well as locally.

My personal experience aside from NCOSH is that I now frequent restaurants and bars that I would not have frequented because of the smoke. The one place I don't go to is the casino, because of the smoke, or even to the slots at Fort Erie. Although a networking group that I belong to was invited there, there's no way I would go, because I've been there once. The ventilation system does not remove the smoke, and I find it very uncomfortable and unpleasant to be in that kind of atmosphere. I believe that other people will feel the same way coming to our locale.

Mr. Fonseca: Within NCOSH, do you have a number of grassroots programs? I know that Ms. Martel was bringing up the last presenters, the youth. What's in place for education or around helping especially our youth with prevention within the community?

Ms. Grace: Our public health department just finished a "go smoke free" poster contest this week and a radio contest for anti-tobacco advertising. Those are really good things that are happening.

I mentioned the partner organizations we're with. Through those organizations, we can direct people. The Cancer Society has the Smokers' Helpline, plus excellent books on quitting one step at a time. The Lung Association has videos and programs to help people quit smoking. Information is readily available in Niagara and easily accessible.

Mr. Fonseca: I would like to see a province where we deliver a clean message. It's always been said that Ontario is a clean place to visit and is open to everybody. By having it smoke-free, we can make sure that nobody finds it offensive to walk into an enclosed workplace or public place.

The Chair: Thank you for your presentation

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LORI SPEED

The Chair: Would Lori Speed please come forward.

Ms. Lori Speed: Good afternoon, everyone. Thank you for allowing me the opportunity to speak with you this afternoon. I appreciate this expression of my rights as a citizen.

My name is Lori Speed, and I've come to speak to you today wearing two hats. First and foremost, I'm here as a private citizen who is concerned with the preservation of personal freedoms that are precious inheritances from our ancestors, who suffered through uncountable wars and personal hardships in order to provide future generations such as ours with better lives and more freedom. Second, I'm here to speak to you as a bar owner, on behalf of some of the 50 employees I have let go since the smoking ban came into effect, and also for my 40 remaining employees who have seen their salaries, which are comprised mainly of tips, decrease as much as 40%.

In an article in last Friday's National Post, Martin Patriquin writes about the inevitable demise of some of his favourite eateries in Quebec when the no-smoking bylaw comes into effect there. In his article he asks: "What will happen next? Will the health police go after coronary-inducing grease, or will it mess with my God-given right to drink a pitcher of beer at lunchtime?" This is my major concern. I see a disturbing trend of lack of personal freedoms currently sweeping across North America. How about those Yankees tossing suspected—I repeat, suspected—terrorists into Guantanamo Bay and holding them there without trial? I certainly hope that's not the direction we're taking here.

I think that the Economic Institute of Montreal put it best in their last newsletter, which was quoted in *Le Devoir* on March 30, when they said they believe that the push by the Quebec government to ban smoking in public places sets a dangerous precedent of the state's intervention into the personal preferences of its citizens. They

also said this ban is an attack on such commercial institutions as contractual freedom and the right of property.

I agree, and although I was a smoker for 22 years—for the past four years I have been a non-smoker—I'm uncomfortable, and I would be uncomfortable not to speak out about what I consider to be a loss of personal freedom.

As a bar owner, I have heard many people, including bylaw officers and politicians, say that many bars are profiting from this bylaw and talking about these invisible non-smokers who are going to appear and take up the slack from the smoking clientele who have left. They also say that it hasn't been as difficult as some bar owners make it out to be. I'm here to tell you that this is false. Every bar owner I've talked to has lost business. Many have closed; I believe the latest number was 29 here in Durham region alone. I myself have lost 40% of my business.

How many people do you think this affects? This affects not only myself, as an owner, and my partners, and my family and my partners' families, but also thousands of people throughout society, many of whom are the poorest people in our society: students and single mothers who have traditionally depended on work in the hospitality industry in order to make ends meet. I am a university graduate in communications from the Université du Québec à Montréal, and I put myself through university by working in a bar. Go and tell Debbie, who supports four children and now works three nights a week instead of five and earns half as many tips on these evenings, how the government and the no-smoking bylaw is helping her. While you're at it, maybe you can give her a box of Kraft Dinner to help feed her children. I am sure she needs it.

The Chair: Thank you. This round of questioning will go the official opposition.

Mr. Ouellette: Thanks very much for your presentation. I know you have put in a patio there. How is that going to be affected by any of the changes that have come forward?

Ms. Speed: Well, the patio is the last remaining place where anyone is able to smoke at the current time. A high percentage of the remaining clientele I have do use the patio in order to smoke, and I've been going through a lot of very confusing interaction with bylaw officers and such, who come to me one day and say, "You can smoke on the patio," and the next day, "You can smoke on the patio, but half the windows have to be open," and the next day, "You can smoke on the patio, but you have to remove the side walls," and the next day, "You can smoke on the patio, but you have to take the side walls and the roof off." It's been very frustrating and very complicated, and, as I say, I have trouble with having people tell me or my customers that they're unable to smoke in a bar, which is traditionally a place of smoking and drinking. I think that if the only remaining place is to be a patio, so be it.

Mr. Ouellette: Have you seen a change in business trends for times of day: more business, different clientele, a changeover coming about as a result of this?

Ms. Speed: As I said, I've lost approximately 40% of my clientele. The only change I've seen since the smoking bylaw took effect in Durham in June is within the last two to three months, where I've had a slight increase in business during the hours of 4 p.m to 8 p.m. I studied that increase in business to try to determine where it had come from, and it's actually people who are coming to my establishment because their regular establishments have closed down due to lack of business because of the smoking bylaw.

Mr. Ouellette: I believe you have an association with similar businesses in other jurisdictions, not just Oshawa, who have gone through a similar transition. What was the end result in those locations?

Ms. Speed: We have another establishment in Nepean, Ontario—our establishment is a chain—where the smoking bylaw took effect five or six years ago at least. Their business has never recovered. They made a \$1.5-million investment in their local community by opening an establishment and saw their business drop by 40% to 50%, and it has never recovered.

Mr. Ouellette: Those are all my questions.

The Chair: Thank you for your presentation.

CANADIAN RESTAURANT AND FOODSERVICES ASSOCIATION

The Chair: The Canadian Restaurant and Foodservices Association, would you please come forward. Good afternoon. You have 10 minutes for your presentation. There may be five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Douglas Needham: My name is Douglas Needham. I'm president of the Canadian Restaurant and Foodservices Association. I want to thank you, Mr. Chairman and committee members, for the opportunity to comment on Bill 164.

I'm not here to promote or defend smoking. Our industry doesn't have a stake in the tobacco industry, but if our customers didn't smoke, I wouldn't be here. Our industry is confronted with two stark realities: 1.8 million Ontario adults continue to smoke—that's 20% of the market—and in adult-oriented establishments like bars, pubs, taverns and nightclubs, smokers represent a high proportion of the clientele.

We support the intent behind this legislation. Achieving this objective, however, is a transitional process. Just as smokers need help in quitting, so does the hospitality industry. We need a reasonable transition period which protects public health and supports Ontario business. Therefore, we're recommending that Bill 164 be amended to permit designated smoking rooms until 2010 for the following reasons:

Ontario's tourism and hospitality industry is in the fifth year of a prolonged slump. Thousands of jobs have been lost, and thousands more are in jeopardy.

More than 700 Ontario operators have made significant capital expenditures to build DSRs in compliance

with local bylaws. As it stands, Bill 164 will expropriate these investments.

Smoking cessation programs need time to take effect and reduce the incidence of smoking among our customers.

Finally, designated smoking rooms offer a means of protecting non-smoking customers and employees from exposure to second-hand smoke.

I'm going to speak to each of those four issues and then answer any questions you might have.

Ontario's tourism and hospitality industry is in the midst of a five-year slump, and it's actually getting worse. If you refer to page 4 of our submission, you'll see that international visitors to the province have fallen from 31.1 million in the year 2000 to 22.9 million in 2004. That's a decline of 26.4%, representing 8.2 million fewer visitors to the province.

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The industry hasn't recovered from 9/11, SARS, the rising Canadian dollar or gridlock at the US border, and operators from Windsor to Kenora to Brockville are scared. They need more customers, not fewer. Pubs, bars, taverns and nightclubs—the sector that tends to attract a higher proportion of smokers—are hurting the most. Between the first quarter of 2001 and the first quarter of 2004, average sales per establishment dropped 24.9%. In the past three years, 4,100 jobs have been eliminated from this sector. That's the equivalent of closing the Oakville Ford plant.

Health activists claim that smoking bans don't hurt our industry or that sales pop back after a short lull, but their studies suffer from a major flaw because drinking establishments are lumped in with the much larger restaurant sector.

The 2003 study undertaken by the Ontario Tobacco Research Unit is a case in point. This research attempted to measure the impact of Ottawa's 2001 smoking ban on the city's hospitality industry. They used Ministry of Finance sales tax data for bars, licensed restaurants and unlicensed restaurants and concluded that, "There was no evidence that the Ottawa smoking ban adversely affected restaurant and bar sales."

Our association's research department acquired the same data from the Ontario Ministry of Finance and undertook the same analysis but just for the pub, bar, tavern and nightclub sector. We found that in the period studied, the 10 months following implementation of the smoking ban, sales at these drinking establishments were 10% lower than the same period in the previous year. Other studies, such as those in California and New York, which you may have heard about, suffer from this same flaw in methodology: Drinking establishments are lumped in with the much larger restaurant sector, and the economic impact is effectively muted.

On October 1, 2004, New Brunswick introduced a province-wide smoking ban, which has had a devastating impact on drinking establishments in that province. A survey of New Brunswick licensees revealed that pubs, bars and taverns experienced an average decline in liquor sales of 23.9% in the first month of the ban.

On page 6 of our brief, you'll see the trend in sales for Dooly's, a New Brunswick chain of 30 billiard establishments. Five months after the ban took effect, sales are down 15.75% and they're showing absolutely no signs of recovery.

Ontario pubs, bars, taverns and nightclubs are very small businesses with average annual sales of just \$499,000 and an average pre-tax profit of 3.7%. That generates an annual profit of just \$18,474 a year, or \$50.61 a day. These operators are hanging on by their fingertips. They can't afford another drop in sales.

More than 700 Ontario businesses have made capital investments in designated smoking rooms at costs ranging from \$15,000 to \$300,000. These businesses, mostly small and medium-sized independents, could ill afford capital expenditures of this magnitude, but this was the only alternative available if they wished to retain their smoking clientele. The vast majority of Ontario DSRs, approximately 90%, were built under bylaws which had no expiry date. In other words, operators made a capital investment on the premise that they had a substantial period of time to earn a payback. Most of them would have based their financial projections on a 10-year write-off, as they do for other leasehold improvements.

In 1999, York region, together with Toronto and Peel region, adopted a phased-in bylaw which steadily reduced smoking in hospitality establishments in three stages. Local operators planned and invested according to the letter and the spirit of those bylaws, which is still described on the York region Web site as follows: "The third and final phase of the bylaw will come into effect on June 1, 2004.... The bylaw includes the option to construct a completely enclosed and separately ventilated designated smoking room...."

Operators, in other words, were explicitly told that designated smoking rooms were the final phase of the York region smoking bylaw. That final phase came into effect just 11 months ago. That's the regulatory regime under which more than 100 York operators made their DSR investments. These investments were made in good faith to comply with the prevailing jurisdiction of the day—municipal government. Now they're threatened by provincial legislation in the form of Bill 164. In legal terms, this is called "detrimental reliance," where one level of government withdraws what another level has given. The layman might call it "expropriation of opportunity." We call it unconscionable.

The table on page 7 of our submission shows that only a few municipalities established an expiry date when they passed bylaws permitting DSRs, and those are 2006 in Burlington, 2008 in Hamilton and 2009 in Milton. Most communities, like Toronto, Windsor, Niagara region, York region and Peterborough, do not have expiry dates on their DSRs.

Two communities in Ontario, Mississauga and Brampton, didn't have an expiry date in their original bylaws, but they subsequently chose to establish one. I strongly recommend that this committee look at the process and the ultimate decision that Mississauga and Brampton city

councils arrived at when they modified their smoking bylaw in 2003. After extensive public hearings, these municipalities agreed that operators had built their DSRs in good faith and they deserved an opportunity to earn a financial payback. As a result, the bylaws were modified to phase out DSRs in 2010. This is a fair and logical compromise, a balance between public health and the prevailing regulatory environment under which these businesses made investment decisions.

A longer transition period is also required while government cessation programs take effect and reduce the incidence of smoking among our customers. It is widely recognized that quitting takes time and frequently requires several efforts by the smoker. As a result, many operators take cold comfort in assurances that Bill 164 will place the industry on a so-called level playing field. Because of its addictive nature, smoking does influence consumer behaviour. Most smokers will dine out in a fast food or a family-style restaurant and not expect to smoke, but in drinking and entertainment establishments, like pubs, bars, taverns and nightclubs, experience shows that many smokers will reduce their patronage and their purchases in response to a smoking ban.

In reality, a true level playing field can't be achieved as long as tobacco is available and people want to or have to smoke it. Consumers can always drink, socialize and smoke in private homes or, in the case of border communities, patronize the bars, pubs and casinos of Michigan and Quebec, where smoking is still tolerated in public places.

The Chair: You have about a minute left in your presentation.

Mr. Needham: OK, and that should do it.

Bill 164 bans smoking on a selective basis. What we've got to do is encourage people to stop smoking everywhere. That's a level playing field. Government is acknowledging that reducing and ultimately eliminating smoking is a process that requires time. The hospitality industry needs a similar approach.

While we transition to a smoke-free Ontario, DSRs give legislators the tools to regulate customer and employee exposure to second-hand smoke. Proper design of the DSR ensures that non-smoking customers can visit any establishment without the irritation of second-hand smoke. DSRs also provide opportunities to reduce or eliminate employee exposure. A separately ventilated room with stringent airflow standards does reduce the concentration of smoke to which employees are exposed, but several jurisdictions have taken additional steps: British Columbia limits employee time in a DSR to 20% of their shift; Toronto's revised bylaw does not permit a bar or service area in the DSR; and Prince Edward Island only permits employees to enter the DSR to clean up so that customers have to leave it to get service.

In summary, our association supports the intent of Bill 164, but achieving that goal is a transitional process in which public policy and business practices need to move forward in tandem. As a result, we recommend that Bill 164 be amended to permit designated smoking rooms until 2010. Thank you.

The Chair: Thank you. This round of questioning will go to the NDP.

Ms. Martel: Thank you for being here today. I'll give you my position and then you can respond to it. I think I owe that to you.

I'm supportive of an earlier phase-out and compensation to those owner-operators who, given the bylaws that were in place at the time, made a decision to invest, believing that they would be able to recoup that investment, either within the sunset clause, if there was one, or would be able to do it over a longer period. That has been the position that we have taken.

I've got to tell you why I can't support a longer phase-out. I'm really skeptical of the effects of DSRs. I'm on the side that says, "I don't think they are terribly effective," and that, at the end of the day, other patrons in an establishment are being affected. I'm also concerned that staff just end up in DSRs because they're serving, and what staff person is going to tell their boss no, if that's going to risk their job?

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Secondly, I'm thinking about a presentation we had this morning from a bar owner who said that as a consequence of the Legion being exempt, they knew that they were losing patrons to the Legion because people were still able to smoke there. I think, if that's happening in that circumstance, it's probably happening in scenarios where those bars that had enough money or space to have a DSR are doing better, relatively speaking, than those establishments that couldn't afford or didn't have the space to put a DSR in place. So the longer you have some establishments with DSRs in place, the longer you have that discrepancy between bar owners who may benefit—and I say that recognizing your position—and those who can't from being able to attract patrons.

That's why I'm supporting the earlier phase-out, but also urging the government to look at compensation for those establishments that got caught putting in a DSR when that was the bylaw that was legitimately in place at the time.

Mr. Needham: Compensation is certainly an alternative, and I know that most of our members, DSR operators, would feel it was better than nothing, but they're legitimately concerned about the impact on their business even if they are compensated. I mean, these guys put in a substantial financial investment for very real reasons. It wasn't on a whim. They did it to hold a certain business. One of the things they need is time, not only to pay off their DSRs, but also to adjust their business models, because it's going to be a different type of business environment out there once the traditional bar is out of business.

Ms. Martel: But you would have seen people having to make the adjustment now. I mean, in the communities where the bylaws are in place, you've got one of two things happening: those businesses that could afford to have a DSR, if they were permitted under the bylaw, and those that couldn't. Those that couldn't would have been operating for some time now under a much changed envi-

ronment. I mean, some of those folks must come back to you and say, "I'm suffering a loss. Joe's bar down the street that had the ability to have a DSR is not suffering the same loss that I am." I don't want everybody suffering a loss, but you must, among all of your membership, be getting that argument yourself, that the longer some establishments have a DSR and the longer those who don't are out there, you're seeing a discrepancy there.

Mr. Needham: The response is, "Why didn't you put a DSR in?" They had that option. Because you're quite right: Some put them in; some didn't put them in.

Ms. Martel: But a lot of people wouldn't have had an option just because of physical space, or maybe the landlord, if they didn't own their building—they were renting or leasing—said, "No, I'm not going to make the capital improvements to allow you to have that happen." Not everyone would have had the physical space in their bar to have an area for patrons that was non-smoking and an area for patrons that was essentially a designated smoking area.

Mr. Needham: I'm not aware of any circumstance—I've seen DSRs put in some pretty small bars. They're small smoking rooms, really. They've been glassed off, and then a separate ventilation area put in.

Ms. Martel: OK. So what you're saying is, from your membership—you probably told us how extensive that is; I'm sorry.

Mr. Needham: It's actually at the front, right after the contents page. It is more than 20,000 operations right across Canada.

Ms. Martel: You would say that you do not hear complaints from your members saying, "Move to a sunset clause as soon as possible, because I am at a disadvantage now because I don't have a DSR"? You're not hearing that?

Mr. Needham: No.

Ms. Martel: I don't think that I have any other questions. I don't know if you wanted to say anything else.

Mr. Needham: It's a very diverse industry. The operators who have put in DSRs put them in for very legitimate and valid reasons. They made a major financial commitment to save their business. This is a very acute situation for these people. They are concerned not only for the investment they've made, but for the loss of business that they know they'll experience.

The Chair: Thank you for the presentation.

CANADIAN AUTO WORKERS

The Chair: We'll call on the Canadian Auto Workers to come forward, please. I note that you have been sitting there for some time. I feel rather compelled, however, to tell you that you have 10 minutes for your presentation. Five minutes of questioning may follow. I would ask you to state your name for the purposes of our recording Hansard.

Mr. Richard Horwath: My name is Rick Horwath. I am an employee at the Great Blue Heron Charity Casino in Port Perry. I have heard quite a bit of talk about

casinos this afternoon and this morning. My position there is as a full-time health and safety WSIB representative, representing the CAW and our members, of course. I've been with the casino a little over five years now, four years in the position of a slot technician, which gave me a lot of time on the floor. For the last eight months, I've been a full-time health and safety WSIB rep. I am here on behalf of myself and the employees of the Great Blue Heron Charity Casino.

For those who are not familiar with this workplace, it's located on native land just north of Port Perry. The casino employs about 1,000 people; about 800 of them are CAW members.

When I posted this notice that I'd be presenting a message on behalf of the employees of this casino, the response was overwhelming. There were countless people coming to the union office to find out what this was about. Everyone wished me luck and expressed their hopes that Bill 164 will be passed. A high majority of the staff of this casino have come to the union office many times over because they have a great deal of concern for their health because of the second-hand smoke in the casino. We have quite a young workforce. Many women in the casino are pregnant or are planning a family, and they have concerns not only for their health but for the health of their unborn child. Many women leave our workplace early in their pregnancy because they do not want the unborn child affected.

I have with me a petition signed by about 400 workers, both union and non-union alike. There probably would have been more signatures, but a lot of people were afraid to sign it. A lot of people don't want to be seen in the union office if they're not a union member. Management is a little skittish at it going around there.

I know that in early 2004, Durham region passed a no-smoking bylaw. Because the casino is on a reserve, the local politicians said that the law had no effect on the casino. The employees were outraged over this decision. After Durham region went non-smoking, our number of smoking patrons increased dramatically. This is because they cannot smoke in other casinos, so they came to our casino. This was great for business but certainly not for the health of the people who work there.

We cannot understand why we did not fall under the smoking bylaw. We are regulated by the Ontario Labour Relations Act. We are run by the Ontario Lottery and Gaming Corp. We must follow the regulations of the Alcohol and Gaming Commission of Ontario. We fall under the Occupational Health and Safety Act. We are regulated by WHMIS for chemicals in the workplace. Why do we not follow the bylaws of Durham region? If a native band were to dump toxins in Lake Scugog or contaminate the land with toxins, they certainly would be fined by the Ministry of the Environment. If they were to violate the Health and Safety Act of Ontario, they would be given an order—and have been—to correct the situation. Why, then, when you consider all the above, can this workplace force its employees to be exposed to the toxin of second-hand smoke?

The members of this casino cannot accept the fact that because we are on a reserve, we have no rights. The native band office on the reserve is smoke-free, but they expect us to work in second-hand smoke. The executive management team has a smoke-free building, but we must work in a smoke-filled environment.

We need a province-wide smoking ban in the workplace. It is needed to protect the health of the employees not only of this casino but of other casinos such as Rama and Casino Windsor, where smoking is still allowed. There can be no designated smoking areas, because no person should be expected to enter these areas to serve our patrons.

For those who do not know the casino industry, I will try to tell you how we are exposed to second-hand smoke every day. As a dealer, you stand or sit just across from the patrons day in and day out. The patrons blow smoke in your face all day long, and there's nothing you can do about it: The more they lose money, the more they smoke.

Employees of the slot department are also exposed to large amounts of second-hand smoke that they are stuck in day after day. When I used to work a night shift on the weekend, there was a haze of smoke hanging in the air throughout the casino. This covers a lot of the ventilation that I've heard discussed. They have a good ventilation system there, it's well maintained, but it doesn't touch the smoke. Like I say, there's just a haze in the air. It's just unbelievable. The weekends are worse, even though during the week it's not acceptable either.

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There are employees in maintenance and house-keeping and servers who are also exposed to large amounts of second-hand smoke. We have employees off work with smoke-related illnesses such as asthma. I have asthma myself and I know how it affects me. I quit smoking over 20 years ago for my health, and now I feel like I smoke again. After all the years of feeling better, I now take asthma attacks again and I must resort to an inhaler that I never used before.

When we bring our concerns to the executive management team, they make it clear that this is part of the job. This is mainly because they sit in a smoke-free environment. The employees are not very happy with that situation.

I was told by our general manager that if the staff do not like the smoke, they can find another job. Is it fair that we have to look for a different line of work just because we're in a casino on a reserve, or any other workplace in Ontario that allows smoking? The employees are not asking for any more than what many workers in Durham and other communities already enjoy: a smoke-free workplace.

I would urge everyone to look closely at the health problems in the casino that I work at, as well as other workplaces that allow smoking. I have spoken to the CAW national office as well as Local 222 in Oshawa, and they support our goals 100%. CAW has always fought for the health of the workforce and supports a smoking ban in any workplace.

I only wish each one of you could come to our staff lunchroom, where they are allowed to smoke. The ceiling and walls are yellow and smell of smoke. Just the sight of this should be enough to show people what smoke is doing to our lungs, and therefore our health. Kitchen staff must enter this room, as well as housekeepers in order to clean. Non-smokers may not have to go in there, but when it comes to your job, your duties, you have no choice.

In closing, the workers of our casino, as well as other workplaces in Ontario, need the help of our government. Help us to work in a smoke-free workplace.

I would like to thank you for your time and allowing me to speak not only for myself but on behalf of all the employees at our casino.

The Chair: Thank you, and the questioning will go to the government.

Mr. Fonseca: Thank you for your presentation on an issue that has some unique challenges. I know that the minister has already met a number of times with the aboriginal community, First Nations, and has met with Chief Charles Fox in regard to this. Chief Charles Fox has been in favour of a smoke-free Ontario. We recently had meetings with the aboriginal community, and Attorney General Michael Bryant, under the Ontario Native Affairs Secretariat, has met with the leaders of the different First Nations aboriginal community in discussing the smoking strategy on reserve, or the smoke-free strategy on reserve.

I had a chance to visit, to actually live on, the Nipissing reserve for a week and experience what many of the youth on reserve are going through. Many of them feel that there isn't a sense of hope and have taken up smoking. We know the incidence of smoking on reserve is as high as 60-odd per cent, where off reserve we're at about 20% here in Ontario.

Dr. Sheela Basur, our chief medical officer of health, earlier this year met with First Nations leaders, and we're working toward a strategy that will hopefully bring a smoke-free Ontario to all parts of Ontario, including reserves. That's what I can tell you right now.

Mr. Horwath: OK. Thank you.

The Chair: Any further questions? Mr. Wilkinson.

Mr. Wilkinson: Thanks, Richard. Just a quick question. The other reserves involved, Rama and the other one, are they also CAW?

Mr. Horwath: No. The only other casino that is CAW at this time is Casino Windsor. My counterpart is going to be speaking in Tillsonburg, I believe, next week. I did also hear—it was in the paper; I didn't see it personally—that Rama was voluntarily going to implement a no-smoking bylaw. I don't know whether that's true.

Mr. Wilkinson: As you know, it's a constitutional issue; it has to do with aboriginal rights. It's kind of a land mine as you work it. It's not that the provincial government can just come in and impose it, but we're working with people to try to do that and we're very encouraged by some of the aboriginal leaders who understand that.

I was really interested in hearing about how your workers are in a smoking environment, and the people in management and the people on the council are smoke-free.

Mr. Horwath: That's correct.

Mr. Wilkinson: You guys are in there chewing on the blue smoke while they're smoke-free. I was just wondering, do you know whether that is the case at the other casinos, Rama and the other one?

Mr. Horwath: No, I don't. I've never been to another casino. I'm not a gambler.

Mr. Wilkinson: Neither am I. I know how you feel—no offence.

Mr. Horwath: It would be interesting to know that.

Mr. Wilkinson: It would be, yes. We'll work on that. Thanks so much, Richard. I appreciate it.

The Chair: Thank you for the presentation.

Now we have a point of order notice from Mr. Ouellette.

Mr. Ouellette: I have a question for the PA. While in Oshawa, I was hoping that one presenter would have been able to come forward. When I was doing the research on this, I met various industries. An industry came to me that had some strong concerns, and I don't see them addressed in the legislation. We're looking at possibly section 8, which amends section 9 of the current Tobacco Control Act, 9(9) on page 6 in the legislation.

Governments of all stripes have tried to attract certain sectors and certain businesses to Ontario. The sector that came to me that had some strong concerns was the movie sector. They have a large sound stage in Oshawa, where all of a sudden these individuals will be smoking during the filming of a movie. How are they going to be affected by this? They wanted to know that. I didn't see anything that addresses that in the legislation.

I don't know if the PA has any response to that at all.

Mr. Fonseca: Actually, Mr. Wilkinson would like to speak to that question.

Mr. Wilkinson: I had a similar issue raised by the Stratford Festival and a number of the theatres in regard to artistic freedom and the ability to portray the smoking of cigarettes because it may be integral to the piece of art that is being created or recreated.

I can tell you that what they do in Stratford is, they don't use cigarettes; they use an herbal substitute, because Stratford is smoke-free as a community. They put it in all the programs that they are not using tobacco so that the employees, the actors and the people behind stage and the patrons are all kept safe.

I actually had an inquiry to the Ministry of Health about that, because the bill is quite specific about tobacco, and they assured me that the use of a non-toxic substitute was not precluded in the bill. They're very specific about tobacco. I would assume that that would carry over. It's not my understanding that there is any huge additional cost for a movie set to actually have to buy these substitutes. I think they would be in compliance with the law and it would help them keep a safe working environment for the workers making the movie or being onstage.

Mr. Ouellette: So, essentially, what I'm hearing is that the question has been addressed in the Ministry of Health, and hopefully the PA will make sure, through the ministry responsible, that that's somehow assured.

Mr. Wilkinson: I know that they'd be more than happy, if asked, to try to clarify that. I would encourage whatever industry that came and spoke to you that it's well worth their effort to write the minister and ask for clarification. I think it'll come. I know that's provided for CanStage, the Stratford Festival and the Shaw Festival. A number of them have asked it collectively. That's what I would encourage.

YOUTH TOBACCO TEAM, THE LUNG ASSOCIATION

The Chair: Thank you very much. Now we'll get back to our presentation at hand, the Youth Tobacco Team of the Lung Association. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

Ms. Kathryn Leadbeater: Hello. My name is Kathryn Leadbeater. I'm 14 years old and I'm from Cobourg, Ontario. I am currently a member of the Youth Tobacco Team, or the YTT, for the Lung Association. Basically, it's a team of 10 students from all across Ontario, ages 14 to 18, and we work with the Lung Association to help promote non-smoking. Today I'll be speaking on behalf of the Lung Association and kids from all across Ontario.

I have a couple of points that I want to make. The first one is that smoking is obviously not a good thing and we need to make it clear that when kids see adults smoking, it gives us the thought that it's OK to do it, when really it's not. As firm supporters of this act, we feel that we need to see less smoking in our communities.

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I also feel strongly about the banning of power walls. I know it was said earlier that it's just going to be counter displays that will be removed, but that also has a really big impact. When we walk into the stores, it is something that our eyes are immediately drawn to. We need to get that out of the way so that we don't see it any more.

People make it clear that street drugs are very dangerous to the health of kids, because they're mainly the ones who do it, but adults don't make it clear to kids that nicotine is dangerous as well and that it is in fact one of the most addictive drugs there is. If we get this, it will likely help to attain that.

Earlier it was asked what the government can do to help kids to reduce their smoking, and how they can occupy their time. With the power walls gone, that will help a lot. With youth groups and centres—in my community of Cobourg, there aren't that many, and most of them have to do with churches, so a lot of people don't go to them. But if we had more, and if we got money from the government to do that, I think that would have a

great impact, and it would definitely help occupy students' time.

On a personal note, I was offered my first cigarette when I was in grade 4. That was almost five years ago, so you can probably imagine how much earlier it's becoming now. With street drugs and smoking in every grade, it really does start when you're very young. I think it has to be made clear even to really young children in elementary schools that it's very bad. It needs to hit them and be driven in that it is really bad, and that they need to not do it.

In conclusion, I would just like to say that in order to denormalize tobacco use in Ontario so that the youth of today can stop smoking and the youth of tomorrow don't start, the effort to remove power walls and to make Ontario completely smoke-free needs to be continued.

The Chair: Thank you. This round of questioning will go to the official opposition.

Mr. Barrett: Thanks a lot. You just came in from Cobourg today, did you?

Interjection.

Mr. Barrett: It's good that we got you on the schedule. It's a long trip for nothing.

You mentioned smoking in every grade. Does your group go into the elementary schools and talk to the younger kids?

Ms. Leadbeater: No, we haven't started that yet. We've only actually had one meeting. It's supposed to be that we have three meetings a year plus telephone conferences. We take the information back personally to talk to our own schools, so it's not something we do as a group. The only things that we do as a group are province-wide. Talking to elementary students and students in our own communities is something we do personally with our health unit.

Mr. Barrett: Do you launch other initiatives? You're in high school, are you?

Ms. Leadbeater: Grade 9.

Mr. Barrett: Do you sponsor assemblies, or bring in—

Ms. Leadbeater: Right now, at my school, we are about to launch a new program. On Tuesday, we're having our first assembly, and it's a quit-and-win. It will last for about four weeks. We have students sign up with a non-smoking buddy. They can get tested with a CO detector and have their name put in draws for prizes. We have about \$1,500 to run that.

Mr. Barrett: Do you get businesses downtown involved in sponsoring things?

Ms. Leadbeater: Yes. We got some of our money through the police station, who went around to the businesses to ask for money.

Mr. Barrett: OK. You've got good partners there with the officers. I know you're lobbying here, but a lot of your work then would focus on public awareness beyond just in the school?

Ms. Leadbeater: Yes.

Mr. Barrett: What are some of the other plans or things you're working on?

Ms. Leadbeater: I know something that we did talk about, but it's definitely not for sure at all, is just province-wide things to do. One was the thought of doing a 30-hour no-fumin' type thing, where everyone in Ontario, if they wanted to participate, would stay smoke-free for at least 30 hours. But that was only a small discussion, so it might not go through.

Mr. Barrett: OK. You've got some great ideas there. I'd be very interested in your future plans. Like you say, you've only had one meeting; is that right?

Ms. Leadbeater: The Youth Tobacco Team has been in existence since 2001, but each year new members are brought on. I've only been involved in it for this year.

Mr. Barrett: I see. Great. Thank you.

The Chair: Thank you for your presentation.

FRONTIER DUTY FREE ASSOCIATION

The Chair: I would call on the Frontier Duty Free Association to please come forward. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard, and you may begin.

Mr. Chuck Loewen: Thank you very much for this opportunity, ladies and gentlemen. I'd like to introduce, to my right, Heather Howard from 1000 Islands Duty Free, Jeff Dyer from Johnstown Duty Free, André Bergeron, representing the Canadian Airport Duty Free Operators Association, and myself, Chuck Loewen, from Peace Bridge Duty Free in Fort Erie, Ontario.

On behalf of the Frontier Duty Free Association and the Ontario operators, we'd like to make a presentation concerning Bill 164, the Tobacco Control Statute Law Amendment Act, 2005.

We believe Bill 164 is designed to protect the health of the people of Ontario and, in particular, to tighten the restrictions on selling tobacco to young persons. The duty-free industry agrees with these principles and applauds the efforts of the provincial government in the ongoing campaign to restrict smoking in young people.

As background, the federal government, through Revenue Canada, initiated the Canadian land border duty-free shop program in 1982.

Tobacco, which once represented over 50% of our sales, now averages around 20% of a store's sales. Stores are increasing their offering of non-tobacco products as tobacco sales continue to decline.

Eleven of our thirty-six stores are located along the Ontario-US border, as well as at three international airports in Ontario: Ottawa, Toronto and Thunder Bay.

Information provided by Imperial Tobacco is that Canadian land border duty-free shops' tobacco sales represent less than 1% of their tobacco sales in both their domestic and foreign markets. Sales at duty-free stores represent a very minute share of the total sale of tobacco in Canada; however, these sales are crucial to the jobs of the industry's employees.

We are a very highly regulated industry. Duty-free stores sell only full cartons of cigarettes and only in quantities allowed under personal exemption regulations of the US or the country of destination. No first-time smoker purchases a carton of 200 cigarettes.

All sales at duty-free stores are for immediate export out of Canada.

The US government prohibits the importation of tobacco by any person who is a minor.

All persons making a purchase in duty-free stores must provide identification to the sales clerk. In airport locations, it is a boarding pass. In land border stores, it is the licence plate number from the vehicle in which they are travelling. This process gives the clerk the opportunity to request photo identification to provide proof of age for both liquor and tobacco sales.

Studies conducted by our member stores have shown that over 97% of our tobacco customers are 26 years of age or older. A very, very small percentage of sales are to those persons 19 to 25 years of age, and we do not sell to minors. Also, minors travelling are accompanied by their parents or other guardians, which further prevents these sales.

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Duty-free stores in Ontario are all under contract with the Liquor Control Board of Ontario to sell liquor. Sales of tobacco and alcohol are two key categories in our duty-free shops. Sales controls within the duty-free environment are clearly a world apart from the domestic market, which is much less regulated. We are so very different from the traditional tobacco retailers.

The duty-free industry is a relatively unknown industry to the general public. It is therefore understandable that when the legislators prepared this law, considering our size in tobacco retail, the nature of our business was overlooked. This same thing has happened previously at the federal level and at the provincial level in Quebec. On March 20, 1998, the duty-free industry of Canada received from Health Canada an exemption to section 11, the self-service provision of the Tobacco Act, and in 1998, the duty-free industry of Quebec was granted an exemption from the province of Quebec to a ban on self-service for tobacco in Law #444 by the health and social services ministry.

Ms. Heather Howard: The duty-free industry represents a unique situation in the sale of tobacco to consumers in the Ontario marketplace. We only sell to persons who are travelling immediately out of the country, either by plane or on a direct road from a sterile site at a land border operation.

Clients are of a mature age, have made a conscious decision to leave the country, and are committed to this process by the purchase of a ticket or the crossing of a bridge. They are only allowed to purchase cigarettes by the carton. No single-packet sales are allowed. They acknowledge to the sales clerk that they are aware of the regulations surrounding the sale of tobacco: the age requirement, the quantity restrictions, and the length-of-stay requirements. By the very nature of being a traveller,

it is recognized that their travel time is restricted and they do not spend a long time in our shops.

For these reasons, and these reasons very particularly, we are requesting an exemption from clause 3.1(1)(a), (b) and (c) in the proposed bill that prohibit self-service in the sale of tobacco. We accept the restriction that prohibits the countertop display of tobacco at the cash area. The self-service area for tobacco in duty-free stores is removed from the cash area. The cash area is where all customers, including those not interested in tobacco, must go to make a purchase. We believe it is more sensitive to families and those who are not interested in purchasing tobacco to not have to be near the tobacco, if that is their choice. This will still permit those adults who wish to make a purchase to do so in a convenient and timely manner.

We ask you to consider the fact that all of our stores are under contract with the LCBO to sell alcoholic products in a self-serve venue. The LCBO has relicensed our stores many times, indicating our compliance record with all of the minimum age requirements that are in effect. We have never had a licence revoked. Tobacco that is sold by the carton in a self-serve venue is as secure as the liquor we sell. The removal of this self-serve venue would have a severe negative effect on our businesses. It would result in large capital expenditures. It would also cause people who are coming into our stores to just come into the cash area and not allow them the opportunity to travel throughout the store and see the other products we sell.

We're a small industry in Canada whose employees still need the sale of tobacco to maintain their jobs. Creating an environment where self-service does not exist would put our shops at a distinct disadvantage with our immediate competitor, the American duty-free shops.

Border-crossing fees, the price of a plane ticket, customs allowances and carton-only sales ensure that the duty-free industry does not become an economical regular source of tobacco, nor an incentive to potential new or young smokers. We trust that you will consider the exemption of our stores to the self-service restriction that this new legislation is proposing. Allowing us to remain competitive will in no way interfere with the goals of this legislation. Thank you.

The Vice-Chair: Thank you for the presentation. We will now go to the NDP for questions.

Ms. Martel: Thank you for your presentation. Let me make sure that I understand this. The section that you're concerned about has to do with a purchaser handling the product before purchasing it.

Ms. Howard: Right.

Ms. Martel: Because in your stores that would not be at the counter where you're paying; it would be somewhere else in the store. How many tobacco products do you carry?

Ms. Howard: Do you mean types? We sell cartons of cigarettes. We sell the major brands: Imperial, Rothmans and JTI. I'm not sure I understand the question.

Ms. Martel: You said it would be too expensive to try to move that up to the counter where people are paying,

and I'm trying to visualize how much space tobacco products would take up in a duty-free store now, that would make it, as you say, really cost-prohibitive to move that to the front near the cash.

Mr. Loewen: It all depends on the size of the store. For example, in our store the actual display of tobacco represents perhaps three or four per cent of the floor space. In other stores, it may represent a little more if they have more tobacco business. But in each event, the majority of the floor is covered with other products. The point was, to physically move the fixtures behind the counter in all our stores would mean a major capital expense from a store layout refixturing standpoint. That's where the capital expenditures would come from.

Ms. Martel: Is that because what you have at the cash is essentially just the cash?

Mr. Loewen: Right. Yes.

Ms. Martel: You don't have a counter; you don't have—

Mr. Loewen: Yes, and the other point that Heather made was that the public who does not want to be exposed to tobacco products don't have to go to the tobacco department. They would be exposed to tobacco products at the cash registers.

Ms. Martel: OK. I'm not sure if other people have questions. I'm just trying to think this through. This is a different presentation than we've heard before, so I'm trying to—

Ms. Howard: I think that's actually the point we're trying to make: We are a very small industry, but we're very different. We don't sell by the pack; we only sell by the carton. It's not at the cash area; in most retail operations, that's where tobacco is located. We've already had an exemption because of this unique situation. We've included in our leave-behind notes the letter from Health Canada recognizing the situation.

Mr. Barrett: I see in the documentation that it was in 1997 that Health Canada gave you an exemption, and I'm sure they gave you a rationale for the decision. We've had similar presentations even today from tobaccoists—they don't sell gum; they don't sell candy or pop. The people who enter the 700 tobaccoist shops are there to purchase just tobacco and nothing else. As I recall, they're asking for two different amendments to this legislation. I don't know whether you've been in touch with them, but they have some similar situations.

Ms. Howard: I think they do have a similar situation. We have a small tobacco store within our store. We do sell other products, but within each store there is a specific area where they sell tobacco. We don't spread it among all the various commodities. It's located in a very specific area, which in most stores is quite a distance from the cash. Putting tobacco up at the cash, in a back wall or whatever, would actually be counterproductive to what you're trying to do, I believe, in our situation.

Mr. Barrett: I guess, by analogy, there doesn't seem to be a problem with the Ontario government through alcohol licensing with respect to people actually picking up a 40-ouncer of rum and walking around with it,

whereas if it's a carton of cigarettes, there seems to be a distinction.

Ms. Howard: Well, there would be—

Mr. Loewen: There would be with this law.

Ms. Howard: —with this law. Right now, there isn't, because we've been exempted from Health Canada federally. So right now, we treat tobacco and liquor with the same due diligence when people make purchases, to make sure no minors—

Mr. Barrett: I was saying the government indicates you can pick up a bottle of alcohol and take it to the sales clerk, but you can't pick up a carton of cigarettes under this proposed bill.

Ms. Howard: That's right. That's exactly right.

Mr. André Bergeron: The issue here has to do with the first-time user, among others, where we are majorly different. First-time user studies have shown they buy a single pack, try different brands over a period of time and need regular access. In duty-free, we sell a carton of cigarettes, not a single pack, and we don't have ease of access to the store. You have to put down the price of an airplace ticket or you have to go through to the United States; you want to cross the border. That's one major difference with any other tobacco retailer.

In regard to your question about space, we do receive a large number of people at the same time, such as in an airport, and the same thing also with a number of border shops that have tour groups and have a number of buses, so you need a certain amount of space to display tobacco products. When you think duty free, you cannot only think of a 400-square-foot store. Some of those stores are 10,000 and 15,000 square feet.

The Chair: Thank you for your presentation.

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CANADIAN CANCER SOCIETY

The Chair: I call on the Canadian Cancer Society national office to please come forward. Good afternoon. You have 10 minutes for your presentation. There will be five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Rob Cunningham: Thank you, Mr. Chair and members of the committee. My name is Rob Cunningham. I work as a lawyer and senior policy analyst for the national office of the Canadian Cancer Society, based in Ottawa, and I'm the author of this book, *Smoke and Mirrors: the Canadian Tobacco War*. I've been involved in tobacco control since 1988, and in my work I specialize exclusively in the area of tobacco and the law, mainly with respect to legislation. Also, the Cancer Society has intervened in a number of court cases against the tobacco industry, and I recently appeared before the Supreme Court of Canada as co-counsel in the Saskatchewan case involving retail displays. We know the fortunate outcome of that case.

In research for the book, one thing is typical historically: for many decades we've heard that if a particular type of legislation is adopted, jobs are going to be lost.

We heard that if advertising is banned on radio, radio stations are going to close; if tobacco is banned from sale in pharmacies, pharmacies will close; if smoking is banned from retail stores, according to bylaws in the 1970s, retail stores are going to close, and non-smoking sections in restaurants would mean that restaurants were going to close. The sky has never fallen, despite predictions ahead of time.

Second-hand smoke is a known health hazard, recognized by Health Canada, including package warnings at the present time, and recognized as a cause of lung cancer by the US Surgeon General as long ago as 1986. The courts in Canada, including the Ontario Superior Court, conclude that second-hand smoke causes disease.

The trend to smoke-free workplaces and public places is worldwide in nature. There are already three provinces and two territories in Canada that have legislation in force; seven US states—you can see them listed on the handout you've received, the one-page fact sheet—California, New York, Maine, Connecticut, Delaware, Rhode Island and Massachusetts, and the list grows; country-wide laws in New Zealand, Norway, Ireland and most states and territories in Australia, and the list grows, and no designated smoking rooms in any of these jurisdictions.

The tobacco industry knows that these laws reduce smoking. That's why they provide money to oppose these laws, why they fund MyChoice, why they fund the Fair Air Association of Canada and why sitting beside Ms. Daigneault at yesterday's committee hearing was someone from Association House, a tobacco industry public relations firm.

On the issue of compensation, we must recognize that businesses that have established designated smoking rooms have already had an opportunity for some tax write-off through capital cost allowance. When designated smoking rooms close, they will reduce costs because of reduced ventilation expenses.

Some bylaws, such as in Ottawa, which initially regulated office workplaces, permitted designated smoking rooms. When the amended bylaw was adopted, there was no compensation, nor was there compensation when Ontario banned tobacco sales in pharmacies or through vending machines. Of course, there's a very substantial three-year transition period since the policy was announced in 2003.

On the issue of patios, we support an extension of the policy that has been successful in 12 or so municipalities in Canada to ban smoking on all patios outdoors to ensure a level playing field, in particular to help the small business person. The minister's intent, expressed on first reading, was to ensure that smoking would be allowed on true outdoor spaces. I would urge the committee to have a look at the definition and the wording in the bill to ensure that that expresses the minister's intent. We can provide a proposed amendment for clarification later.

To ensure that we don't have problems such as in Ottawa, what is an enclosed patio? There are some establishments that have heaters all winter, that have pool

tables, that have televisions on their so-called patios. It's an abuse. It's very difficult to define what an enclosed public place is, what is enclosed and what is not. If you simply have a roof, that's very clear and straightforward: If there's a roof, you can't smoke on that part; if there's no roof, fine, that's outside. That is an innovation that should be pursued.

One of the reasons the tobacco industry wants smoking to continue in bars is because they know that young people are there. People can have a few drinks, lose their inhibitions, have a cigarette, and then suddenly an ex-smoker is back to being a daily smoker. The tobacco industry continues promotions in bars through the use of scantily clad cigarette girls. If designated smoking rooms continue, their promotions can continue in bars. Let's face it: Many teenagers have fake ID and they get into bars.

This is a segue into displays. This is one type of retail display, a display at point of purchase. It is important that this bill continue with what we've seen in Saskatchewan, Manitoba and other jurisdictions such as Iceland: a ban on retail display. That's not currently the wording in the bill. We would like to see an amendment, inspired by Saskatchewan and Manitoba, so that there is a true ban. Since first reading of this bill, we've seen a Supreme Court of Canada unanimous judgment upholding the Saskatchewan legislation. It's opportune that the bill be amended accordingly. At the moment, the regulatory authority would allow a nuclear bomb to be dropped on the intent of the act to allow widespread displays to continue.

We'll be submitting to you a technical amendment in terms of the French translation. There is just a drafting error, which means it means something different than the English. It is important, as a further amendment, that displays be completely invisible, except at the moment the product is given to the consumer.

In terms of the theft argument that we heard, I would submit respectfully that this is nonsense. A ban on displays would reduce the risk of theft. When there were hearings in Prince Edward Island, an all-party legislative committee unanimously recommended a ban on displays. A Charlottetown police officer testified that prominent displays encourage break and enters, and the more inventory you have, the greater the encouragement for thieves. There's no evidence from the experience out west that we've had an increase in theft. Some retailers, on a voluntary basis, when the law was not being enforced during the court proceedings, kept their cigarettes out of sight to reduce the risk of theft, even though that was only on a voluntary basis.

In terms of cost, a mere five-cent-per pack increase would cover the entire \$88 million a year in Canada-wide payments—less than 1% of the price. Retailers can easily recover payments that they have now. Perhaps a third of retailers currently receive no payments from the industry. And we must keep in mind that several hundred million dollars per year in revenue is earned by retailers from illegal sales to minors who are underage, so already they

are part of the problem causing teenage addiction. They profit from it, and yet they ask for further consideration. Everyone says, "Oh, no, we don't sell to minors. We take good care." But we know as a sector, from statistics, that a regrettably large number of establishments are doing that.

It used to be in Ontario that 20% of cigarette sales were done in pharmacies. That's banned, so the remaining retailers have that advantage that they've benefited from. In a sense, they've already received some compensation.

1520

Even if there were a cost, should it be acceptable for some to increase their income in order for kids to get addicted and others to die? I suggest not. When Ontario banned drinking and driving in terms of enhancing the strength of its laws, it's clear that some auto repair shops would have had less business because there would have been fewer accidents. But should we have delayed implementation of those laws or weakened them? Of course not.

Retail displays increase consumption. They encourage impulse purchases. We must recognize that there are many other companies who want that space, who are prepared to pay retailers for that space and who can't get it because it's tied up by cigarette companies. There will be incremental revenue from other suppliers.

Who is paying compensation to the family who loses a wage-earner? The government doesn't pay compensation, even though it may have been the manufacturer several decades earlier who made cigarettes and smoking attractive to that individual who became addicted and died at age 47 from a heart attack or from lung cancer.

The Chair: You have about a minute left.

Mr. Cunningham: Thank you.

We know that the industry targets children. The government recognizes this. The minister has indicated his commitment, as well as all parties. Do you want the tobacco industry to succeed in attracting teenagers? The primary way today, in terms of marketing expenditure, is through point of purchase. Should it continue? No way.

On behalf of the Canadian Cancer Society, let me thank you for your time and urge you to consider those particular amendments that would strengthen the bill.

The Chair: Thank you. This round of questioning goes to the government.

Mr. Fonseca: Thank you, Mr. Cunningham, for your presentation for the Canadian Cancer Society, and for bringing a national perspective on this issue. As we take a leadership role here in Ontario toward a smoke-free Ontario, and hopefully one day a smoke-free Canada, there have been different presenters who have come forward with different, unique circumstances. We just heard the last one come up, and that was around duty-free shops. That's the first time that that unique circumstance has fallen in my lap and maybe of many of the other members here on this committee. Can you give me a national perspective on that?

Mr. Cunningham: Sure. Other provinces that have adopted controls on displays have not exempted duty-free stores: for example, in Saskatchewan's legislation. In Nova Scotia's legislation, which is not as extensive, so far it only bans countertop displays. It bans self-service displays. In the Halifax duty-free shop, there are no self-service displays. It is possible for a province to do that. If the argument is—and I don't agree with it—that displays have no impact on consumption, then supposedly, in duty-free stores, it will have no effect on their sales volume, and they should not object to a display ban.

Mr. Fonseca: I'd also like to ask: Around patios—I know you've seen many different patios or makeshift rooms around the nation—what would be a good working definition for a patio? What do you feel would be an open-space patio?

Mr. Cunningham: Of course, the easiest thing is a total ban. Once you have exceptions, you have to have a definition, and it becomes more complicated to interpret that and to apply it. A total ban is the best. I think the second-best is that if there's a roof, you can't smoke anywhere under the roof. It's simple and it's easy to apply. When you start with whether a percentage of your wall is open or closed, it becomes very complicated. Municipalities have had great difficulty.

One other point related to duty-free stores: Some other provinces, such as Saskatchewan, Nova Scotia and Nunavut, have not had exemptions for tobaccoists. Once you have a loophole like that, we've seen that that gets exploited, new kiosks get established and it creates a problem that was never intended. It should not be allowed.

Mr. Fonseca: Mr. Wilkinson also has a question.

Mr. Wilkinson: Just a quick question since we have you here, Rob, and you're a national expert on this. You referred to the question of these power walls and the case in Saskatchewan. Since you were involved in that, I wonder if you could bring your insight on your experience in that.

Mr. Cunningham: The same arguments that this committee has heard were heard during the legislative process in Saskatchewan. It's the same thing all over again. That was considered and rejected with all-party support in the Saskatchewan Legislative Assembly. As other types of advertising are restricted, the point of purchase becomes very important. We know from other sectors how companies pay to encourage impulse purchases. Confectionery seen is confectionery sold. For a large percentage of sales in many categories, it increases overall consumption. The tobacco industry knows it. If it had no impact on overall demand, they would welcome such a ban, because they would have reduced marketing expenses and increased profit. This is a trend worldwide, as we're seeing in Australia, South Africa, Ireland, Iceland and others looking to take action or taking action.

The Chair: Thank you for your presentation. I'm not making any comment on the content of any particular presentation today, but we did have a number of youth groups and associations appear before the committee today. I thought they did an excellent job of at least appearing before the committee: 12 people around a table in front of them and an audience behind them. I thought they did very well. That's not to make a comment about what they said, but they did present very well, and I commend them for that.

This committee is adjourned.

The committee adjourned at 1525.

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Thursday 28 April 2005

Journal des débats (Hansard)

Jeudi 28 avril 2005

Standing committee on finance and economic affairs

Tobacco Control Statute Law
Amendment Act, 2005

Comité permanent des finances et des affaires économiques

Loi de 2005 modifiant des lois
en ce qui a trait
à la réglementation
de l'usage du tabac

Chair: Pat Hoy
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Thursday 28 April 2005

Jeudi 28 avril 2005

*The committee met at 0903 in room 151.*TOBACCO CONTROL STATUTE LAW
AMENDMENT ACT, 2005LOI DE 2005 MODIFIANT DES LOIS
EN CE QUI A TRAIT
À LA RÉGLEMENTATION
DE L'USAGE DU TABAC

Consideration of Bill 164, An Act to rename and amend the Tobacco Control Act, 1994, repeal the Smoking in the Workplace Act and make complementary amendments to other Acts / Projet de loi 164, Loi visant à modifier le titre et la teneur de la Loi de 1994 sur la réglementation de l'usage du tabac, à abroger la Loi limitant l'usage du tabac dans les lieux de travail et à apporter des modifications complémentaires à d'autres lois.

ONTARIO MEDICAL ASSOCIATION

The Chair (Mr. Pat Hoy): The standing committee on finance and economic affairs will now come to order. This morning we will be hearing presentations from the public on Bill 164. Our first presenter of the morning is the Ontario Medical Association. Would you please come forward.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard. You may begin.

Dr. Ted Boadway: Good morning, Mr. Chairman and members of the committee. Thank you very much for giving us the opportunity to present to you today. I'm Dr. Ted Boadway, executive director of health policy of the Ontario Medical Association, and with me is Michael Perley, director of the Ontario Campaign for Action on Tobacco.

Every physician sees the effects of tobacco addiction in their practice, no matter what their specialty. Our president, John Rapin—who would have been here with me today, except he's with Mr. McGuinty at the Lakeview announcement—is a specialist in emergency medicine, and I myself practised emergency medicine for many years. I thought today that it might be most appropriate to look at this through the eyes of an ER

physician, who probably sees more of the devastatingly acute effects of tobacco addiction than any other.

Tobacco addiction causes heart disease, and when people have heart attacks, they come to the emergency department acutely ill, and sometimes dead on arrival. When tobacco causes a stroke, they come paralyzed. When the addiction causes an abdominal aortic aneurysm and it ruptures, it is a catastrophe requiring complex management and surgical intervention to preserve life. These cases constitute a serious challenge in the emergency department. And when patients present with acute congestive heart failure, or the smothering respiratory effects of emphysema, they take some of their worst and last breaths in the emergency room. As a result, the personal experiences of an emergency room physician dealing with the ravages of tobacco addiction lead us to understand how serious the problem really is. But the entire medical profession understands this as well, and it leads us to strongly support actions that can decrease the amount of tobacco addiction in our community.

Tobacco addiction is the result of a complex societal interaction that leads people to be involved in an activity that would not be customarily considered rational. Our society has been structured, both by accident and by design, to make tobacco use seem a normal activity and to provide role models and societal norms which lead to behaviours no one would choose.

Before tobacco is used, the attitude and belief system must allow its use to be possible. These attitudes and beliefs are formed in childhood and often, as research shows, in very early childhood. By the time the child first reaches for a tobacco product, the attitude that allows that reach to take place has been forming for years.

Children are subject to a complex mix of societal pressures that are different from the ones that you and I face and which are only partially understood by adults. These pressures, joined with aspirations to be seen as grown-up and the need to be part of locally defined groups, drive the child to overcome the initial obnoxious event of direct inhalation of smoke. Before the child becomes an adult, the addiction is already established. Once again, science shows us that the addiction is established, distressingly often, in the earliest teen years.

By the time adulthood is achieved, the addiction is firmly established and behaviour patterns and friendships have been cemented, some of them shaped by addictive behaviour patterns. At this point in life, to smoke or not to smoke is not a choice; it is a compulsion, and despite

the fact that the vast majority of adults want to stop smoking, I think everyone understands the difficulty of doing that. So when we think about preventing tobacco addiction, we should remember that it's not about adults; it's about kids.

Since we are dealing with a complex societal influence on behaviour, it should be no surprise that the science tells us that strategies to change this should also be comprehensive. In 1999, Minister Witmer received a report from an expert panel upon which I sat, which outlined what a comprehensive tobacco control program should look like. Five years later, this approach has been proven to be effective in the state of California, where levels of tobacco usage among young people that were previously similar to ours dropped from above 20% to 8%. Now Ontario's government has decided to act, and we are entirely supportive of this.

I think it goes without saying that this is a good move for the health of the people of Ontario. I could give you numbers and talk about the tens of thousands of lives that will be saved by the introduction of such a strategy, and those numbers would be true, and they are the ultimate goal. What I will ask you to do, instead, is to turn your attention to think this way. I've told you how we, as physicians, see the health problems. When you bring these policies in, you will affect what physicians do every day in their practice. You will change the nature of care in this province for the better. We won't be looking after the ravages of tobacco addiction, and this will free us up to look after other things that you would like us to look after. So, not only will your actions in this area benefit the health of addicts and prevent addiction, but they will also benefit all the other patients in this province.

0910

Acting on this not only makes good sense for health, but it makes good sense for the economic well-being of the province. In our paper released in 2003, titled *Investing in Tobacco Control: Good Health Policy, Good Fiscal Policy*—and I've left copies of that with you—we demonstrated that investments in tobacco control will pay back handsomely to provincial coffers in health care savings and increased revenue from income tax and sales tax, such that with even a 5% decline in the prevalence of tobacco use, the province will break even on its investment in tobacco control. This is an extremely modest decrease considering the actual experience elsewhere.

You are now familiar with what a comprehensive tobacco control program is. It requires appropriate levels of price comparable to surrounding jurisdictions. Public education is required. Marketing through packaging, labelling and information disclosure is essential. Appropriate retail controls are needed. One hundred per cent smoke-free spaces and cessation programs are cornerstones. Properly financing the Ontario Tobacco Strategy and then evaluating, through research, the outcome of that strategy are important for public accountability. Cost recovery litigation should also be considered.

I will not dwell upon each of these in turn, because I believe that in almost every instance, this bill has got it

just about right. However, I note one item in the bill that causes me some concern. It is the part on retail displays. I am a physician, and I don't profess to understand marketing and product placement. You will have other witnesses who will speak to this. I am, however, very familiar with the fact that the tobacco industry, through its front groups, has done everything it can elsewhere to maintain retail displays of this very addictive product.

Two things I know to be true: (1) If the tobacco industry thinks it's a good thing for them, then it's probably not a good thing for the public of Ontario, and (2) the tobacco industry has to get kids if they want to survive as an industry.

Kids make the decision to take up tobacco in their early years, even before they begin to smoke. By the time they figure out whether or not they want to, they are already addicted and cannot stop. In my mind's eye, I see the nine- to 11-year-old who has driven on his bike to the corner store to get either a treat or a litre of milk for his mom. When he approaches the counter and hands his chocolate bar or the 2% milk over the counter, he faces a massive advertisement for an addictive substance that is now somehow associated with treats or sustenance itself.

As you go through your hearings today, I would like you to keep your eye on that child as well. I would like you to develop the perspective that it is only a few years and a short trip down the road before that child, now after years of tobacco addiction, comes through the door of my emergency department with one of the catastrophes I listed earlier as his problem.

The medical profession is proud to do its part for those people injured by tobacco, but something must be done to prevent that child from eventually coming through the door. The part you can do is to prevent the tobacco industry from getting to our kids. Only you can establish the framework of our society such that tobacco addiction is prevented. To do that, the path is clear and the science of how to get there is established. The medical profession of Ontario respectfully requests that you take that path.

The Chair: Your timing is very good. We'll move to the official opposition for this round of questioning.

Mr. Toby Barrett (Haldimand-Norfolk-Brant): Thank you, Doctor, for your presentation on behalf of the Ontario Medical Association. You call for comprehensive tobacco control. I want to raise the issue of risk reduction or harm reduction. For example, a past US President's commission on tobacco pulled together the health community, government, tobacco farmers and producers to look at some common ground, if you will. With respect to control, there does not seem to be any government control on the ever-increasing imports of tobacco from tropical countries. There's no knowledge of what fungicides, insecticides or pesticides are used on this product. As taxes increase, consumers go for a so-called value tobacco, imported tobacco.

Secondly, with respect to the underground economy, we know the cigarettes that are being produced, for example, on Six Nations in my riding. As taxes increase, you see more cigarettes diverted and consumed through

the underground economy. Again, there does not seem to be any comprehensive policy on this, and certainly very little control.

Can you comment on those two issues?

Dr. Boadway: Yes, I do have a comment. You're right that there's a dearth of knowledge on the effects of insecticides in foreign imported tobacco. You don't know the answers to those questions, and I don't know. I sure can't tell you. But what we do know is that at the present time, tobacco is killing tens of thousands of people in this province each and every year. We look after them, and we look after them in extremis. When that happens, we know something has to be done.

Some of the techniques that have to do with foreign trade are not our concern; we're physicians. We can tell you the devastation is significant. If you can find a way to look after those other problems, we will laud you too.

Mr. Barrett: OK. Taxes are not your concern either, and this is the finance committee that you're testifying before. People do make economic decisions. For example, what's a carton? It's maybe \$60 a carton. It's not hard to find tobacco for \$25 a carton. Again, physicians don't get involved in that, but do you have any comments on that?

Dr. Boadway: Oh, yes. We think price is a very important thing. Price is the most important impediment to children picking up the tobacco addiction. So we're looking for ways that you as legislators can increase the price and maintain it and make it consistent. We're hoping you will find a way to stop the \$25 cartons coming across and make sure the price is consistent so that there is a good price barrier for children, because they are far more price-sensitive than anyone else. We hope you'll work on that.

Mr. John O'Toole (Durham): Just a comment and then a brief question. I completely understand and, I would say, endorse your observation, Doctor. I can't find anything disputable. But I suspect my cynicism amounts to this: If this is a tax issue from the point of view of this committee, and if the government were really seen to be doing the right thing, if you look at the federal discussion on this issue, we are one country and there should be some consistency between the messages. The current debate around the decriminalization of marijuana is an inconsistent message with this effort to reduce smoking dependence.

What's your view in a public way, not necessarily as a doctor, with respect to the role of the federal government? I'm not trying to shift the blame. But if what you say is clinically and categorically true, and I have no dispute with that, are they addicted to the revenue? Is that really the issue here? Or, if it's that bad, and there's clear evidence there, you'd think in a scientific kind of argument you would say that they should criminalize it. What are your views? It's pretty strong, but really it is one way of making a clear statement without any ambiguity. Cast that against the current discussion about the whole marijuana debate. If one's bad for you, then both of them have got to be bad, wouldn't you say?

Dr. Boadway: What I say, strictly from an individual's point of view, is that governments are addicted to all sorts of revenue. It's not one different from the other. But I don't think that's going to change over the near or long term, and that's OK; they do things for us with that money. So that's just the way it is.

But we've demonstrated in our paper that when you lose tax revenue from one place, you will gain tax revenue from another. That was the purpose of the paper we've left on your table, to show you that government actually won't lose tax revenue. They'll shift the source of their tax revenue and, by the way, it will be far more productive while they're gaining it from active citizens who are alive.

The Chair: Thank you for your presentation this morning.

For those who are in the room, we have prepared an overflow room. There is someone outside the door who can direct you to it—committee room 2. It would be very helpful if those people who are presenting could remain in this room so that the committee can get its work done prior to the noon hour and prior to the Legislature sitting once again.

0920

Mr. Barrett: On a point of order, Chair: First, for the people who are standing, is it possible to bring perhaps another row of chairs into this room?

Secondly, you made mention of people testifying. I think something like 250 people have applied to testify for these hearings. I know Councillor Frances Nunziata is here—

The Chair: Your point of order is?

Mr. Barrett: My point of order is that I request, if there are any vacancies—I know we did this in Oshawa—that a company like Imperial Tobacco would be allowed to testify, and Councillor Frances Nunziata. We know even the Minister of Health was not allowed to testify. I point that out.

The Chair: The committee, at its will, upon vacancies, can deal with that at that time. You know that, Mr. Barrett.

Mr. Barrett: Thank you, Chair.

The Chair: On the minister's being here: The minister requested of the committee to present and the sub-committee decided that he should not. Mr. Barrett would know that as well.

ROYAL CANADIAN LEGION, BRANCH 210

The Chair: I would call on our next presentation, the Royal Canadian Legion, Branch 210.

Mr. Bruce Melanson: Good morning, Mr. Chairman. I thank you and committee members for your invite here. My name is Bruce Melanson, Normandy veteran and D-Day veteran. Councillor Nunziata is sitting beside me because she was not allowed to speak, and Councillor Nunziata did a lot of work on behalf of Canadian Legions in the past. What I'm going to tell you all about, what our story is, is a good part of the impressions of Councillor Nunziata, who is sitting beside me.

I'm also an associate director of the Juno Beach Centre. We built that \$12-million memorial in France. Some 46,000 Canadians died. I was there. Reality means that when you're there, you know what it's all about. I saw a lot of them dying with a cigarette in their mouth, many of them. We were given cigarettes in those days at \$1 a carton. They taught us. They gave them so cheaply to us. The government sent them over at one buck, so we used to sell them in the pubs so we could drink our beers there. That was it. They taught us. You told a veteran, for all those years, "Smoke away." After 50 years, you tell this veteran, "No, you can't smoke any more. You can't go into your own Legion and smoke." It's ridiculous.

Let me get into something. I think the benefits provided by the Legion far outweigh any detrimental aspects from second-hand smoke. By the way, we have a payroll of \$73 million across Canada. We've got a lot of branches. I don't think you'd be interested in the numbers, but membership is approximately 500,000 legionnaires.

We do it all for free. These revenues care for veterans, various youth and athletic programs, we buy wheelchairs, we sponsor seniors' housing projects and everything else. We're a private club—that's what we are—created by Parliament, not by us. This is the only place most of us can go now. Those who went on D-Day or went to the war are in their late 70s or early 80s. That's what I am, and I've travelled across this country to help to raise that \$12 million to build this memorial.

The government's proposed Bill 164, in my opinion—and I'm from Branch 210, Royal Canadian Legion—is disrespectful to veterans and will cause, I think, at this moment, 10 or 11 of them to close.

May I also let you know that with me today is our second vice-president, Comrade Bill Muir, and member George Brown from Branch 210, Royal Canadian Legion.

We can understand some aspects of this Bill 164, but our feeling in Branch 210 is this: We will build—and I'm sure all Legions will—a separate little room in there, and we will make sure that room is ventilated, rather than say to that veteran who has been smoking for 50 or 60 years, "You can't do that." That's like telling me I can't have a glass of beer once in a while. That's downright wrong.

So if we do that, that's what we're asking: Allow all these Legions to build their own private little places. We'll ventilate them and make sure they're good, and that's where the smoking will take place. If you don't do that, I would say, as I've said before, that we're going to lose possibly 10 or 11 Legions. With what we've done, what we've created and the money we've put into this GTA—we're all volunteers; not one of us gets paid one nickel. Surely to God you don't want to close Legions. That's what Bill 164 is going to do if you don't allow us to do something else. There's got to be an alternative to this, and that's the alternative that we are presenting to you today.

How can you go up to a veteran today and say, "You can't smoke any more in this Legion"? Possibly, he's

going to say right away, "Goodbye." Our membership of 5,000 is getting older as it is. Whether we've got 10 years, five years, or whatever it might be, sir, don't take away from us, who fought in the war and left 46,000 over there, who died for you and me so that we might have the freedom we've got today, that little bit of liberty. That's a downright shame, if you do that.

Therefore, we're asking, we're pleading, that you allow branch 210—other Legions might have the same kind of battle cry I've got; I don't know—to build them. We will guarantee and promise you, we will build our own little smoke rooms, and we'll make sure they're well looked after, ventilated, clean etc.

Like I said before, a payroll of \$73 million across Canada is nothing to sneeze at. We don't want to lose that. We don't want to lose anything. I'm proud to be a Legionnaire. I'm proud that I fought for my country. But I'm not proud that I've got to go up today and say to some poor devil—all he's got left is his cigarettes. That's his lifeline. You can't take that away.

If we're all so serious about this, why don't we take them off the shelves completely? Let's take the cigarettes off. What are we selling them for? I think that's another suggestion you can think about. If you say you don't want people to smoke, why sell them?

I think that's pretty much my story. I'm open for any questions that you want to give me, but I want to say again that I'm disappointed that Councillor Frances Nunziata was denied the right to speak. Why would your committee deny that? She worked hard with the Legion, and not just my branch.

The Chair: She could have an opportunity to speak now.

Mr. Melanson: You're going to give her an opportunity to speak?

The Chair: Yes. Anyone can speak during your 10 minutes.

Ms. Frances Nunziata: Thank you for allowing me to speak. In my opinion, this has not been an open consultation process. I put my name in to speak weeks ago, and I was denied the privilege of speaking. Thank you for allowing me to speak for a few minutes today.

As Bruce mentioned, I'm the chair of the Legions of Toronto. I got involved with the Legions many years ago in the former city of York. After amalgamation, some of our Legions were having a very difficult time paying their taxes. Prior to amalgamation, some of the municipalities provided grants to the Legions—Metro council provided grants—and some municipalities did not. So what I worked to do was to get all the Legions together and ask the city of Toronto to exempt Legions from taxes, because a number of Legions were closing. Actually, the bailiffs were out, trying to close some of these Legions down because of tax arrears. So I've been working with them for the past few years, and we were successful in doing that, but there have been a number of Legions which have closed.

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As Bruce mentioned, Legions are all volunteers. All the money they raise through the poppy fund and any

other fundraising they do goes back to the community, to the local hospitals, to the sports clubs in the area or to the seniors groups in the area. They have hundreds of volunteers that work for the Legions. Most of them are having a difficult time with membership because a lot of the veterans have been getting older over the years and, unfortunately, they haven't been able to get new members into the Legions.

It would be a shame if we actually closed down Legions. I tried very hard to keep them open, asking the city of Toronto to exempt them from taxes. Here, if we pass this bill and Legions are not allowed to have a designated smoking room, I can guarantee you that they will all be closing because none of the veterans will go into the Legions. That's the only place they have to socialize with other veterans. They have sacrificed; most of them have made sacrifices for all of us, for our freedom. And here they are in their 80s, after we've asked them to smoke during the war—we've given them free packs of cigarettes and then asked them to go out and shoot people in the war—we're telling them now, 60 years later, "You can't smoke." It's disgusting. I think that we owe respect and thanks to the veterans in Toronto for all the sacrifices they made. Don't take this away from them. I think it would be a sin if you did that.

I think you have to look at the Legions separately from bars and restaurants, where they're for-profit. It is a private club, as was passed by special legislation many years ago, as Bruce mentioned. Please show a little compassion and support the veterans. Don't close Legions in Toronto or in Ontario. I don't think that is what this government wants to do. I'm totally disgusted with this government, if that is what their intent is. Thank you.

The Chair: This round of questioning will go to the NDP.

Mr. Michael Prue (Beaches—East York): I have five minutes. I'm willing, Frances—is there more you wanted to say?

Ms. Nunziata: No.

Mr. Prue: OK. I'll just ask questions then. The city of Toronto—and I'm familiar; we were both there—exempted Legions because they were a private club. This government does not want to accord Legions that same status. Do you think the bill should be amended to exempt private clubs, and if so, why?

Ms. Nunziata: Absolutely. The city of Toronto did that. Actually, the province did that as well, because the government of the day did exempt Legions from taxes, acknowledging them as a private club. So they should continue doing that.

In order to get into a private club, which the Legions are, you need to be a member, you need to sign in. There is a membership fee that the members have to pay. So when you walk into a Legion hall, you are quite aware of what you're walking into, and you are a member in good standing. I think that they should be exempt from this bill.

Mr. Prue: I am a member of Branch 10. We had five branches in Beaches—East York last year. Now we have

four; one of them has closed. With the average age of Legionnaires being 83, or closing in on 84, is there any time frame that you are looking at? Obviously, I hope that those who fought in the war will live to 100, and some will. But if this government is looking for a time frame, how much longer do you think it would be necessary to exempt the Legion from the bill—five years, 10 years? Because that's another option.

Ms. Nunziata: I think they should be exempted permanently. You're right, there have been a number of legions that have closed. If this bill passes, they will all close. They are closing gradually, but we don't want to close them. It's hard to say. If I had a choice, I guess I would take 10 years. I'd rather not have that choice, but 10 years.

Mr. Prue: At 10 years, the average age would then be 94. I trust there would still be some left, but maybe not as many as we'd like.

Mr. Melanson: The doctor tells me I'm good for 100.

Mr. Prue: Good.

Ms. Nunziata: Just ask the federal government to stop selling cigarettes. That's the solution, if that's what you want to do, because as long as you sell cigarettes, you're going to have people smoking. It's going to be underground; it's going to be anywhere. If people are going to do it illegally, I'd rather it be open than underground.

Mr. Prue: Is there still more time?

The Chair: There is; a minute and a half.

Mr. Prue: The previous speaker made a point that the real key to this legislation is to stop young people from starting to smoke rather than trying to be punitive, I guess, to those who are in their eighties who still smoke. Would you agree with that, anyone?

Ms. Nunziata: I think there should be—oh, the question was—

Mr. Melanson: Go ahead.

Ms. Nunziata: There should be money put into the school system and education, to educate the kids in school not to smoke. That's where we should be putting a lot of our funding, into education and the kids.

Do you know what's happening in my ward? We've been having a lot of break-and-enters into variety stores and bingo halls. Do you know what they're taking? They're taking cigarettes.

Mr. Prue: I'd like to ask the Legion member, do you think that the government is right to stop things like power walls, to stop kids from looking at cigarettes in variety stores and stop them from starting in the first place?

Mr. Melanson: Oh yes, definitely. Do you know what? I don't even smoke. I'd prefer to go in a smoke-free room. But the kids, I agree; however they're teaching the kids today not to smoke, there's nothing wrong with that. I'm not disagreeing with that. But what I am saying is this: We are a private club, and for a veteran who has smoked for so many years and who has done so much for this community, it's pretty damned difficult and hard for anybody to go and say to that veteran, "You

cannot smoke any more." That's what we're saying. Give us that little break.

As you said, 10 years, that might be a nice number of years to think about, because we don't know what's going to happen after that, whoever's going to take over the Legion. Legions might exist forever. They didn't build that \$12-million memorial in France for one day; it's going to be there for a lifetime. It's the same with Legions. We hope Legions will be there forever because of what they do. Just the poppy fund alone—did you know our legion last year raised \$47,000 in poppies? That's our Legion, one Legion. Do you know where all that money goes? We're not allowed to use a nickel in the Legion. All that money goes to hospitals, wheelchairs, helping seniors, getting them housing, stuff like that. That's the only place we can spend that poppy money.

My goodness gracious, that's all we're saying. Give us the opportunity. We will do it. We will build our own special little room. Give us that opportunity and we'll be happy.

The Chair: Thank you for your presentation this morning.

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WINDSOR AND DISTRICT LABOUR COUNCIL

The Chair: I call on the Windsor and District Labour Council to come forward, please. Good morning, gentlemen. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I'd like you to identify yourselves for the purposes of our recording, Hansard.

Mr. Rolly Marentette: Good morning. My name is Rolly Marentette. I'm the chairperson of the Windsor and District Labour Council health and safety committee. With me I have, to my far left, Dan Boone, who is the CAW national health and safety rep for General Motors. Also, to my immediate left, I have Richard Kokovai, who is the coordinator for the Windsor Essex Council on Smoking and Health. I've held the chair position since 1992.

I want to thank you very much for allowing me the opportunity to speak in support of Bill 164 this morning. I've spent the majority of my working life dealing with health and safety as a CAW Local 444 health and safety instructor, as the CAW Local 444 Windsor regional ergonomic representative at Daimler Chrysler Canada and as a board member for the Windsor Occupational Health Information Service. I'm also a director for the Injured Workers' Action Committee in the Windsor-Essex county area. This is a group that provides outreach support for workers who have been injured on the job.

Needless to say, I spend a great deal of time talking to a great many workers from a great many different workplaces, especially now that I'm retired. I don't have a BA, an MA or a PhD to validate what I have to say on the issue of workplace health and safety. I do, however,

have 35 and a half years of practical, on-the-job training, doing a lot of dirty jobs, and that gives me a different perspective and unique qualifications to speak on this issue.

This is a very important day for me and for many working people across Canada. Today, April 28, is the National Day of Mourning, a day set aside to commemorate the memory of workers who were injured or killed on the job. The National Day of Mourning is officially observed in the province of Ontario and Canada and in more than 100 countries around the world. It's a day when we recommit ourselves to the restoration and promotion of dignity and health in our workplaces and our communities. In a few words, the purpose of the National Day of Mourning is to encourage everyone who values human life to fight for the living and mourn for the dead.

Every day of mourning we identify a theme whereby we can raise public awareness of the many different hazards that workers face in the workplace. Some of the issues we've raised in the past are asbestos exposure, ergonomics, the plight of young workers in Canadian workplaces and the need for enforcement of health and safety legislation. This year, we're raising the issue of occupational disease. In a study entitled *Occupational Diseases and the Workers' Compensation Board* prepared by Dr. Annalee Yassi for Paul Weiler's inquiry into the Ontario compensation system, it is estimated that 6,000 Ontario workers die every year due to occupational diseases. Unfortunately, few workers make the connection between their ill health and workplace exposures they've had over the years.

This year, instead of wearing the customary black armbands, our day of mourning committee will be handing out a black ribbon combined with a translucent ribbon. The black obviously signifies death, while the translucent ribbon relates to the invisibility of occupational disease.

With the indulgence of the Chair, can I make a request that we all stand for a moment of silence in honour of the National Day of Mourning?

The Chair: I expect that this might take place in the House today, but if members are agreeable, we would so move. We will subtract the approximately one minute from the time you have.

The committee observed a moment's silence.

Mr. Marentette: Thank you.

We're here today recognizing the seriousness of second-hand smoke exposure, both to the public and to the workers of Ontario, but only after many years of debate, studies and, I must say, subterfuge. Thank you for finally removing the veil of invisibility of at least one substance known to kill and injure workers.

In 1997, the Windsor and District Labour Council asked me to represent them on a committee working to get a smoking regulation bylaw in the city of Windsor. I accepted, and in those eight years I served as a member, vice-chair and chair of the Windsor-Essex Council on Smoking and Health. I and the other dedicated members

of the council have worked tirelessly to see workers protected from environmental tobacco smoke ever since.

In eight years, I've heard all of the arguments. I want to speak to some of them, because I think that it's important to dispel some of the myths.

I'm sure you remember the uproar in 1979 when the Occupational Health and Safety Act was enacted. Ontario workers were given the right to refuse unsafe work. Some employers were outraged. They were predicting that the Ontario economy would be devastated. Sound familiar? Our experience over the past 25 years tells us that those concerns were unfounded. I call these naysayers "the false prophets." They make all kinds of predictions about business losses, but when asked to substantiate their claims, they never have reliable data.

There is another group of naysayers that I also call "the false profits," but it's spelled with an "f" instead of a "ph." These are the employers who have not recognized that their profits they claim to be at risk are really at risk from a different threat.

Heather Crowe and a number of other claimants have been successful in claiming compensation for health problems as a result of exposure to environmental tobacco smoke, and this experience has been mirrored in other jurisdictions as well. Only a fool would not recognize how these judgments will affect their rates for coverage by the Workplace Safety and Insurance Board. Every day, more workers are recognizing that the respiratory problems they are experiencing are the result of the workplace exposure, and that can only lead to many more successful claims.

Another one: "You knew there was smoking before you took the job. If you don't like the conditions, you should quit." Wonderful. In 1992, in Pictou county, Nova Scotia, at the Westray mines, 26 miners were killed in a mine explosion. During the operation of the mine, workers knew this was an accident waiting to happen. But when you've got a family to feed and work is hard to come by, some workers will take that chance. Some workers, by the way, have chosen to quit because of second-hand smoke. On several occasions I have personally spoken to workers who worked at Casino Windsor and had to quit because of respiratory problems due to tobacco smoke.

No reasonable person would expect workers to have to make those kinds of decisions. To ask workers to give an honest day's labour in return for an honest day's wage is fair, but to ask workers to work in an environment that poses a known hazard to their health and life is absolutely criminal. Expecting workers to walk away from a good-paying job because they value their health more than a paycheque fails to recognize the employer's legal obligation to provide a healthy and safe workplace.

Health and safety activists continuously try to make a difference in the quality of life in our workplaces, and there are many ways we've been able to reduce hazards. We try to negotiate better hearing protection because of the noise in the workplaces, yet we still have people who leave the workplace badly hearing impaired. We try to

find ways of substituting safer chemicals for proven type A carcinogens, yet we still have workers who become ill. We use ergonomics now to eliminate workstation designs that adversely affect workers, yet we still have workers who suffer from soft tissue injuries. Even though we may be making progress in some areas, we know that people are still getting hurt.

We know that there is one option that deals very effectively with the multitude of hazards in the workplace and does work, and that's eliminating the hazard. Eliminating environmental tobacco smoke exposure can be done very easily and very effectively: Eliminate smoking in the workplace. That's what Bill 164 should be striving to accomplish.

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A body shop can make the argument that paint fumes are the unavoidable side effect of paint being a necessary component of auto repairs. A construction company can justify having workers work at great heights when building skyscrapers. In both these, and in hundreds of other cases, employers can take steps to eliminate the harmful health effects of their work environments on workers.

Bingo owners, bar owners, casino operators, restaurant operators and other hospitality representatives cannot convince me that environmental tobacco smoke is a necessary part of doing business.

The Occupational Health and Safety Act gave Ontario workers the right to know, the right to refuse and the right to participate. Bill 164 will give workers in Ontario the right to live.

The Chair: The questioning in this rotation will go to the government, Mr. McNeely.

Mr. Phil McNeely (Ottawa-Orléans): Thank you very much for the presentation this morning. I've been working with Richard Hayter, who's with one of the larger unions in my area in Ottawa-Orléans. I commend the unions for taking the approach you are taking to help your communities. The mayor of Ottawa has the challenge out to make Ottawa the healthiest city in Canada. I'm sure other mayors are going to do the same. Richard Hayter and the labour movement are a very big part of that. I'm going to be organizing a meeting with Richard and Mr. Smitherman, looking at how we can bring that all together and how we, as members of the Ottawa caucus, can help out.

You've dealt with smoking in the workplace, I suppose, more than anything. There's a group coming down to make a presentation today, but again there's such demand and they're not getting on here. But they represent the kids. One of the things I'm going to try to do with Richard Hayter is tie in what he's doing with school kids. We've got over 24,000 petitions from young people in Ottawa-Orléans asking our government and the Legislature to support them in getting rid of the advertising in retail. That's very important to them. So they're coming down today with their petitions, and we're going to be taking that forward. I'm going to be talking to Richard. Actually, I have a call with him today to organize this.

First of all, what do you think of all this advertising? We had the OMA in here this morning, and they tied it in

very carefully: If the tobacco industry thinks something is good for them, then it's probably not a good thing for the public of Ontario, and that's the \$77 million they spend on those power walls. The tobacco industry has to get the kids if they want to survive, so they're recruiting addicts at very young ages. How do you see your labour movement tying in with kids in schools, with public health nurses and really going hard after the smoking?

Mr. Marentette: Not just as a member of the labour movement, but as a father, an uncle, a brother, a grandparent or whatever, I think we have a responsibility to make sure that doesn't happen.

I'm an ex-smoker. I haven't smoked in 22 years. I had my first cigarette when I was eight years old. At eight years old, I was experimenting with tobacco. Why was I doing it? Obviously because my parents were doing it, and I saw my aunts and uncles doing it, but advertisements sure played a big role in that.

If anybody's not convinced of how powerful advertising is, I guess we have to ask ourselves a question: When we look at things like the Super Bowl or even the Stanley Cup playoffs where we have corporations that jockey for position, trying to get their product in line to make that contact with people in our communities, it has a tremendous effect. If it didn't, we wouldn't be doing it.

Race cars: Why do we need to have advertising on the side of race cars to promote tobacco? There must be some connection here. Now we've got Tide that advertises on it. We've got all kinds of different products that are advertising—even pizzerias, for crying out loud. The visual part of advertising is a very important part of it. To see the effect that it has on people, yes, we should be getting involved with eliminating that. I have no doubt at all that we will.

I don't want to leave the impression that everybody in labour is going to be jumping on board with this. I'll ask a very simple question: Does anybody remember the Holmes Foundry? If it's all about jobs, why don't we reopen the Holmes Foundry, if it's as simple as that? If that's the argument we want to have, then let's reopen the Holmes Foundry and let's get on with business; or let's reopen Westray mines.

Mr. McNeely: The second question I have you've made a comment to, but my wife is a smoker. I recall what the OMA was doing. The association is there: At two years old, the boy knew the letters "Vantage." I think that was the type. He could go through the letters, and so that impacted every day. According to a California poll, if they go into these retail outlets once a week, they have a 50% higher likelihood of smoking because of that advertising in retail.

Just a question: When I'm talking to the union up in Ottawa, we can relate health in the workplace to the school kids as well and get them working together. Do you think we can do that?

Mr. Marentette: Yes, I think so. I want to make a comment. Everybody says we're doing this for the kids. I want to ask everybody a question: At what age in my life—was it 12 or 14?—can I sign away the right to

quality of working life because somebody says, "You have to do that to have a job"? Where do they get off telling me that? That's an insult to me as a worker. Nobody should be expected to be putting their life on the line to earn a dollar, not in this day and age, not in any day and age. We're supposed to be progressing here.

The Chair: Thank you for your presentation this morning.

NON-SMOKERS' RIGHTS ASSOCIATION

The Chair: I would call on the Non-Smokers' Rights Association to come forward, please.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard.

Mr. Garfield Mahood: Absolutely. My name is Garfield Mahood. I'm the executive director of the Non-Smokers' Rights Association. Beside me is Francis Thompson, a policy analyst with our association and, I might add, a person who has served both with our organization and as a consultant to the World Health Organization.

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At the beginning, we're going to simply let the kids speak to the committee. If you don't mind, we're going to play a video which is entirely based on kids' perception of power walls. It's 10 minutes. That's our presentation, and then we will welcome questions. So if we could, may we have the lights and a video that I think you will find very instructive.

Video presentation.

The Chair: Your time has expired. This round of questioning goes to the official opposition.

Mr. Barrett: Thank you, gentlemen, for your presentation. I was just reading in the Toronto Sun today an accusation that the Dalton McGuinty government is poised to break a promise with respect to retail displays. I guess they weren't in government when they made that promise. Did they make a promise to you about this?

Mr. Mahood: Part of our discussion yesterday that's quoted pertains to our comments about power walls. The clerk is going to distribute our briefs; it's very important that you receive these. This is our written submission—obviously, you can't read it now. The power wall brief, which is a bigger package related to the film, will be distributed in a couple of minutes.

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The situation is this. It's a good question, and I want to frame the answer accurately. This government, the McGuinty government, is the first government that ever put tobacco in its election platform. They deserve a lot of praise for that. This is a major piece of legislation. It follows on the NDP government's Tobacco Control Act, which, again, was precedent-setting. We give this government a lot of compliments for bringing this legislation forward, but a key component of this legislation is the ability to ban tobacco displays. You've just seen why this

is so important. What we know is that the government has been backing away from this since the bill was announced. The part about power walls was almost invisible in the bill. Then there have been subsequent public statements saying that in fact they're not going to do a complete ban on displays. You can't do a partial ban on displays.

What we also know is that the convenience store people made an announcement that they would voluntarily take away countertop displays. What that tells people in the health community and people like me, who have been around for almost 30 years on this issue, the opposition—there's a real war on this. This is a major threat to the income of the tobacco industry. When the industry opposition all of a sudden becomes silent, it usually indicates that there's an understanding—I use the word “understanding”—that, “We won't attack your legislation, if in fact you don't go ahead and do certain components.” That's all I said.

Mr. Barrett: As far as the back wall displays, over the years anti-tobacco groups, the health community and the federal government in the past have argued that the tobacco pack itself is the second most important tool at our disposal for communicating health information to Canadians. We know the warnings are 50% of the pack so that they can be seen six feet away when you're standing in front of the counter at these something like 40,000 points of sale across Canada.

I think about \$1 million was put into that campaign to get the warning labels on the packs. People see them when they're standing behind the counter. Now the proposal is to put them underneath the counter or to put a screen or curtain across. To what extent does this eliminate the health messaging distribution channel that the federal government pushed so aggressively before?

Mr. Mahood: A very good question. It speaks right to the issue of normalization. Francis, would you like to address that?

Mr. Francis Thompson: Sure. I would just point out that people perceive health messages in different ways. There's a cognitive thing, where you process the information. There's also a message that comes from the environment. If something appears to be absolutely normal and everybody's doing it, or it looks like everybody's doing it, people perceive it as being less risky. If tobacco packs are displayed in the same way that chocolate bars are displayed, people unconsciously perceive there to be a similar level of risk, even if there is a message on the pack that says something different. The normalization effect of having product displays is going to swamp the impact of seeing 100 copies of the same health warning, as you see in some shops.

Mr. Mahood: One quick comment, because I know we're almost out of time. In your brief, in that kit we've distributed, is a major report. Because of the other aspects of the news conference, this did not come out in the news coverage. There is a major report in there prepared by one of the top experts on point of purchase in this country, perhaps on the continent. This is one of the

most complete evaluations of the power of power walls. It was written by Jeffrey Gottheil. I commend that report to the committee. That is a major report. Nothing like that has ever been done by the people who are on the inside of the private sector and on the inside of the industry. What he has done is put together all the available evidence on this issue.

The Chair: Thank you. Your time has expired.

HEMINGWAY'S RESTAURANT

The Chair: I would call on Hemingway's Restaurant to please come forward. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purpose of our recording Hansard.

Mr. Martin McSkimming: Good morning, Chair and members of the standing committee. My name is Martin McSkimming and I'm the owner-operator of Hemingway's Restaurant and bar located in the Yorkville area in Toronto. We've been in business 25 years. We employ a little over 100 people in the summer, a little over 60 in the winter.

Some years ago I attended numerous meetings of the city council and listened as well as participated in many debates regarding smoking in restaurants, bars etc. The result of all these meetings was that the majority of the city council of Toronto actively supported a new city of Toronto bylaw regarding DSRs, designated smoking rooms. I'm sure that at that stage Mr. Perley and Mr. Mahood were well satisfied with this new law.

I'm in the hospitality business. Our ability to satisfy our customers' wants, needs and desires is paramount to our success or failure. With this in mind, I spent a great deal of time talking to many of my customers, and it was evident that if I was retain certain customers' satisfaction and loyalty I would need to build a designated smoking room, and I did. Because of the configuration of the building—it was an old house originally—to build an acceptable designated smoking room, I had to spend in excess of \$300,000 on the new room.

I'm an accountant by trade. If I had thought for one minute that this investment would be for a limited time, then I would never have considered a DSR. It would not have made economic sense. We created a very comfortable designated smoking room where our customers do not feel ostracized by being in there and enjoying a cigarette.

I certainly understand the perils of smoking. I'm an ex-smoker, as many of us have been. But this is not the issue here. The issue is, what is a reasonable time that a businessman should expect to recover his capital investment, which he made in good faith, based on the current law? I personally feel that a 10-year period is reasonable, not a three-year period as the current new law stands. Should I and the other 700 or so operators be penalized for following the law?

Do you not feel there is some injustice here? As educated leaders of our society, I'm sure your conscience

cannot but agree that this is an untenable situation. Please be fair and allow a more reasonable time for all of us to help recover our investments. We are all mostly small independent operators trying to survive in a really tough market. Thank you.

The Chair: Thank you. This round of questioning will go to the NDP.

Mr. Prue: I was a councillor in the city of Toronto. I was there when all this was done. The city of Toronto bylaw permitting DSRs expires, I believe, in 2008. Is that correct?

Mr. McSkimming: I'm not sure of that.

Mr. Prue: You ask for a 10-year time frame. When did you build the smoking room?

Mr. McSkimming: It's been open for two years.

Mr. Prue: But—

Mr. McSkimming: It took me a year to create it, to have the architectural drawings, get it passed by the health department and built, but it's been operating for two years.

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Mr. Prue: I stand a little confused. You built that expecting it would be open for 10 years and not knowing the city of Toronto bylaw?

Mr. McSkimming: I expected it would be open a lot longer than 10 years.

Mr. Prue: But the city bylaw was asking that they be closed down, I believe, in 2008, all of them.

Mr. McSkimming: You may be correct there. I don't know that.

Mr. Prue: I have some sympathy, and I think some of the members of the Legislature have some sympathy, toward allowing the Toronto, Hamilton or Mississauga bylaws related to DSRs to run their course, but you're the first person I've heard who actually asked that it be just brushed aside and extended. I'm just trying to get my head around that an accountant and an intelligent man who runs a very successful and good restaurant—I've eaten there many times—would not have investigated this before investing \$300,000.

Mr. McSkimming: If I knew it was 2008, I've forgotten that, but it's 2005 now and I've had it two years. That would be only five years.

Mr. Barrett: On a point of order, Chair: Could we get research to get us a copy of that bylaw? I understood that Gar Mahood and other people supported the bylaw. I didn't know there was a timeline where they had to close them within a number of years.

The Chair: We can ask research to find the bylaw.

Mr. Prue: The number of people in your restaurant who use the designated smoking room: Can you give us an indication of how many use that designated smoking room, as opposed to how many choose to eat or drink in the non-designated area, the larger area? I've never been in the designated smoking room, but I've been in your restaurant many times.

Mr. McSkimming: The smoking room is 25% of our capacity inside, not including the patios. It's licensed for 44 people. On any given night I dare say we're close to

maximum capacity in there, whereas downstairs or outdoors on the patios, we might be at capacity, especially in the winter. In the summer of course we have different laws currently; we are allowed to smoke on the patio. The room is used considerably at the moment.

Mr. Prue: There's no rooftop patio there, I don't think. There's just the one out in front, on Cumberland.

Mr. McSkimming: We have quite a large rooftop patio.

Mr. Prue: Is the rooftop patio covered?

Mr. McSkimming: Some of the patio is covered.

Mr. Prue: You haven't spoken about this, but do you have any concerns that the covered patio will be considered an enclosed space outside?

Mr. McSkimming: Yes, so you cannot smoke there.

Mr. Prue: You can't smoke there.

Mr. McSkimming: Absolutely not.

Mr. Prue: Do you have any concerns about that?

Mr. McSkimming: That's the law.

Mr. Prue: No, that's not the law now. That's going to be the law.

Mr. McSkimming: No, I don't have too many concerns about that.

Mr. Prue: I think those are all my questions.

Mr. McSkimming: I was talking about a covered patio, but I certainly think that on an open patio we should be allowed to smoke.

Mr. Prue: That's still staying, yes.

The Chair: Thank you for your presentation.

SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 1.ON

The Chair: Janet Holtrust, please come forward. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard.

Ms. Janet Holtrust: Thank you, Mr. Chair and members of this committee, for allowing us to make a presentation to you today. My name is Janet Holtrust. I'm a personal support worker in a nursing home. With me is Charles Renaud, a business agent from our union.

The Service Employees International Union, local 1.on is a 38,000-member, province-wide union representing health care workers in hospitals, nursing homes, home care and supportive housing and community health care settings. We are precisely the workers defined in section 9 of Bill 164. As it is currently constituted, we will have fewer rights than all other Ontario workers to protect ourselves against tobacco smoke, second-hand smoke or environmental tobacco smoke.

We are here today arguing for greater protection against tobacco smoke in any form, when Ontario bar owners and tobacco industry lobbyists are arguing for fewer controls on tobacco smoking.

It is ironic that health care workers, who are dedicated to protecting the health and well-being of all the patients and clients we serve, would be the ones who receive the

least protection as workers under this bill. We ask why the health of health care workers is less of a concern to this government than the health of an autoworker or steelworker. The current bill does not protect workers working in nursing homes, as defined in the Nursing Homes Act, in approved charitable homes for the aged under the Charitable Institutions Act, in a home as defined in the Homes for the Aged and Rest Homes Act, in a residential facility that is operated as a retirement home, or in a supportive housing residence funded by the Ministry of Health and Long-Term Care or the Ministry of Community and Social Services, against second-hand cigarette smoke. This is a long list of exclusions.

The present bill states that a resident who desires to smoke without assistance from an employee can smoke in a designated smoking room that is "fitted with proper ventilation in compliance with the regulations." At Versa-Care Uxbridge, a nursing home where I am employed as a personal support worker, a smoking room was built last year. Public health has inspected the room and it is not in compliance with all codes. Five people at a time are allowed to smoke in the room. Versa-Care administrators claim supervision can occur by observing residents through a glass door. Supervision is done on a voluntary basis, they claim. If a resident suddenly develops health problems, which employee is to go in to assist and subject herself to second-hand smoke? Is smoking now going to be part of our job qualification in order to be employed in nursing homes with DSRs?

What about the residents who do not smoke, the ones on oxygen, the family members who come in with their children to visit grandparents and the countless other workers who come into the facility for one reason or another? Is their health, too, expendable and not a matter of concern to employers like mine?

We would have no right to refuse the unsafe environment because, as health care workers, under section 43 of the Occupational Health and Safety Act, health care and nursing home workers do not have the right to refuse work when that refusal would directly endanger the life, health and safety of another person. However, health care workers can refuse unsafe work when that refusal does not endanger the life of a patient or resident.

On January 6 of this year, another worker and I exercised our rights under the Occupational Health and Safety Act because of exposure to cigarette smoke. The smoke escapes from the designated smoking room when the door is opened to let residents in or out. The smoking room is located in a central location that staff are unable to avoid. A Ministry of Labour hygiene consultant came and took a number of air velocity measurements at two overhead air supply inlets and one wall-mounted air exhaust outlet, with the room ventilation supply fan operational at high setting. The measurements indicated that the room was under positive pressure. Only a negative pressure indication would show the smoking room to be safe from escaping second-hand smoke. The hygienist conducted some smoke dispersion tests at the door to the room as well. The tests showed considerable smoke spil-

lage into the corridor and cigarette smoke was distinctly noticeable in the corridor. The hygienist concluded that the smoke escaping out of the DSR is "likely to expose workers to cigarette smoke, which currently has no regulated exposure limit, and hence likely to endanger the refusing workers." No orders were issued by the ministry and the problem continues to plague our staff, other families and residents to this day.

Versa-Care continues to maintain that residents must have their rights respected. Apparently, a nursing home resident's right to expose themselves to a class A carcinogen also gives them the right to expose me to the same carcinogen. I refuse to accept that a nursing home resident's rights trump my right to work in a safe and healthy environment. There is no facility that can make designated smoking rooms totally safe without passing second-hand smoke to some other part of the building.

Mr. Charles Renaud: For a long time we have known that second-hand smoke is a group A carcinogen. All substances in this classification are known to cause cancer in humans for which there is no safe level of exposure. The dangers of second-hand smoke are no different in residential settings such as nursing homes than in bars, factories or shopping malls.

No ventilation system can remove second-hand smoke so as to pose no danger to health. "Health Canada was asked to test ventilation proposals by the city of Toronto. Health Canada declined to do so since no ventilation system will protect everybody and might even delude non-smokers into a false sense of protection."

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According to American physicist James Repace, ventilation systems in restaurants and bars do not protect people from the effects of second-hand smoke. Repace said that Toronto pub ventilation systems exchanged air 10 times an hour, which the current code calls for, but to get the risk level for second-hand smoke down to an acceptable level, the ventilation system would have to make at least 34,000 air changes per hour.

The Ontario Medical Association claims, "There is no safe level of exposure to second-hand smoke. DSRs do not protect employees who have to work within these separately ventilated spaces from the effects of second-hand smoke." The OMA goes on to recommend that any break rooms for smoking be separately enclosed and separately ventilated. These break rooms for smoking must not include any portion of the workplace. In addition, changes must be made to the Occupational Health and Safety Act to require any place in which a person works to be 100% smoke-free.

Ms. Holtrust: Where I work, a recommendation was made by the joint health and safety committee to remove the smoking room. Versa-Care chose not to follow that recommendation, stating, "While Versa-Care recognizes health-related issues involving smoking and the effects of second-hand smoke, we are of the fundamental belief that we work in the home of the residents and their rights will be respected as outlined in the Resident Bill of Rights and as upheld in municipal legislation. Notwithstanding,

efforts to minimize the impact to others are being employed at this time through the use of a DSR.”

Mr. Renaud: You see, the current bill does not provide for these conditions. There is not a nursing home or retirement home in Ontario that would currently meet the OMA’s standards.

A Michigan study found that of 141 nursing homes facilities surveyed, 99% had an indoor smoke-free policy and, of this number, 85% had a policy that prohibited all smoking inside the facility. Thirty per cent indicated that the policy was voluntary for health reasons and 11% of the homes arranged smoking cessation programs for staff or residents.

We understand the arguments that banning all smoking in nursing home facilities may be a violation of residents’ rights. SEIU Local 1 just does not buy into that argument because it conflicts with our members’ right to a safe and healthy work environment.

Ms. Holtrust: My final note: Dr. Terry Pechacek, associate director for science at the Centers for Disease Control and Prevention’s office on smoking and health, summed it up by saying, “How would you react if someone entered a restaurant or public place with a spray bottle filled with a brown liquid said to contain a diluted solution of 50 known carcinogens and asked if he or she could just spray some around the room? Chemically, there is no difference between that request and someone asking to smoke indoors.” Thank you.

The Chair: Thank you. This round of questioning goes to the government.

Mrs. Carol Mitchell (Huron–Bruce): Thank you very much for taking the time to make a presentation to us today. I just wanted to say too that you are the first group to speak to these facilities. So thank you for taking the time to come and speak to the committee.

I know you have reviewed the bill, and I know that we have put forward some recommendations that would ease your concerns. With specific reference to the bill, what do you feel we could do—within the understanding that it is the residents’ home and the bill of rights—to strengthen this piece of legislation to address your concerns?

Ms. Holtrust: I think they need to look at removing the DSR from within the facility to a separate building that they can take residents to to allow them to smoke. That would protect the workers and other residents inside the facility. I know there’s a cost factor involved in doing that. Where I work presently, they actually turned a resident room into a smoking room. It’s in the middle of a corridor, with people in rooms right next door, and when they open their windows, the smoke from the ventilation system outside comes right back in and affects those residents as well as workers. So they need to look at putting it in a separate area, away from the building.

Mrs. Mitchell: One of your other concerns was that these DSRs today don’t meet the standards that would be established. Do you feel that would be moving in the right direction or would address some of your concerns?

Ms. Holtrust: Absolutely.

Mrs. Mitchell: The right of refusal: How do you see that unfolding?

Ms. Holtrust: My personal experiences with my employer have not been productive. When you challenge your employer the way I did, and the ministry comes in and says that, yes, in fact, the room was not safe—the employer has since then made every effort to be less accommodating to staff. We actually originally had asked to just be relocated to a different part of the building so we would be away from the smoke. He refused to meet those needs, even with the ministry coming in, so I don’t know.

Mrs. Mitchell: My other question is too—part of it is that the resident must have the ability to get in and get out of their own accord. Do you find that today that is the case, that they’re using the facilities available?

Ms. Holtrust: For the most part, yes. They have to have the door held open for them. Most of them are in wheelchairs, so it takes longer for them to get in and out, which is why the smoke comes down into the corridor as much as it does.

The Chair: Thank you for your presentation.

MARY-JANE ASHLEY
JEFFREY GOTTHEIL
GRAY HAMMOND

The Chair: Mary-Jane Ashley and Jeffrey Gottheil.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard.

Dr. Mary-Jane Ashley: Thank you, Mr. Chairman and members of the committee. I will introduce myself and then I’ll ask my colleagues to introduce themselves.

I’m Dr. Mary-Jane Ashley. I’m a medical doctor and I’m professor emeritus in the department of public health sciences at the University of Toronto.

Mr. Jeffrey Gottheil: My name is Jeffrey Gottheil. I am president and creative director of J. Gottheil Marketing Communications, an advertising agency that specializes in point-of-purchase material and displays.

Mr. Gray Hammond: My name is Gray Hammond. I’m the research director for J. Gottheil Marketing Communications.

Dr. Ashley: First of all, I would like to congratulate the government in bringing forward Bill 164. I had the privilege and honour of chairing the expert committee that reported to the then Minister of Health, Elizabeth Witmer, in February 1999 on the renewal of the Ontario tobacco strategy. We produced a report called *Actions Will Speak Louder than Words: Getting Serious about Tobacco Control in Ontario*. In that report, we outlined a series of recommended steps that should be taken in Ontario to ensure that we have a comprehensive tobacco control program in this province.

Bill 164 is an action we have been waiting for and which we strongly endorse. It will, first of all, provide a smoke-free environment in public places and workplaces

for all Ontarians. This is a dramatic step forward in public health. Secondly, it will address the issue of point-of-sale advertising and power walls. We too believe this is a very important issue.

My concern, and reason we're here today, is specifically with how the legislation is worded with respect to point-of-sale advertising. You have already seen the very powerful video this morning about how this advertising affects children, and you heard Dr. Boodway speak eloquently about the effects of power walls on children.

I would like to turn the rest of my time over to my two colleagues who are experts in point-of-sale advertising and give them the time to bring to the committee's attention the reasons why this is a major concern and why we're here today.

Mr. Gottheil: I'd like to first start off by saying that I'm extremely humbled by the presence of Dr. Jane, as well as a number of other people who have spoken this morning. I'm in a very different type of industry than most people here today. Most people here today have dedicated their lives, if not their business careers, to an extremely noble cause. I'm in a very promotional type of business, a very cosmetic kind of industry. I love what I do, but let's face it: It is cosmetic.

In reference to point-of-purchase material, the three key elements of any POP advertising is getting attention, providing information and selling a product. It's actually acting as a silent salesperson inside a retail store environment.

Point-of-purchase displays are one of the most powerful and influential forms of advertising today. They are the only advertising medium that can influence customers when they have cash in hand and are ready to make a purchase decision. POP is designed to capture your attention and influence your purchase decision. POP is also designed to physically fit within a retail environment and be perceived as an endorsement by the store itself. It actually adds credibility to your product once it's within the store environment: "If I trust the store, then I trust the products they sell."

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If we look at tobacco power wall advertising in convenience stores, we see a product that is strategically placed in the most influential spot in the store: the back wall behind the cash counter. Think about it. Anyone who walks into a convenience store today is exposed to this tobacco power wall. These walls are anywhere from four feet to 16 feet across. You can't miss it, whether you're purchasing a product or not. Whether you're walking in or walking out of a store, whether you're accompanying some friends, you're always exposed to this back power wall of cigarettes. We take this wall of cigarettes for granted, but please don't underestimate its effect, especially on our children.

Convenience stores are playing a significant role in informing kids about tobacco products. According to a study by Brown and Williamson, an affiliate of Imperial Tobacco, "The store environment, especially displays inside stores, is the biggest source of advertising awareness

for all cigarette trademarks." Impulse purchase is a factor in the tobacco category, particularly among young and occasional smokers.

Is this having an influence on our children? Research indicates that 85% of kids from non-smoking households spontaneously name convenience stores as a place that sells cigarettes. Over 40% of kids from non-smoking households can spontaneously name cigarettes by brand.

In Ontario, there are 8,400 convenience stores located across the province. They are located in residential areas, near schools, and mostly within walking distance—thus the name "convenience store." The corner store is very much a part of our life and our culture. Seventy-seven percent of kids go to convenience stores at least once a week, and some go between two and five times a week, during lunch hour, after school for a snack, on the weekend or even to pick up some milk for their parents. For a child, it's a first rite of passage to spend their allowance and buy something for themselves like a chocolate bar.

Do they have to be exposed to this wall of cigarettes every time they walk into a convenience store? Tobacco companies spend \$88 million a year just for the right to position their products on the back wall, and an additional \$240 million a year on point-of-purchase material, displays and listing allowances in Canada. We must realize how scary is the idea of the effect that much exposure over that much time can have on a child.

Tobacco companies claim that their point-of-purchase advertising is intended to influence only smokers who might switch brands. They also maintain that their point-of-purchase advertising has no impact on non-smokers, particularly the youth market. We analyzed the tobacco companies' definition of a "brand switcher" and found their interpretation to be that "people that don't smoke a brand to those that now smoke a brand" are considered "brand switchers." Basically, what they're telling us is that someone who doesn't smoke a brand, but now starts to smoke would be considered a brand switcher.

Did you know also that according to an ACNielsen report, convenience stores nearest schools have significantly more tobacco ad presence? Children today know where to purchase cigarettes. They know how the cigarettes are merchandised. They know them by brand name. They know the colours of the packages. They know the graphics. They feel that the tobacco walls haunt them. They feel that tobacco walls provoke them and encourage them to smoke. Our children know too much. Two-thirds of children believe that tobacco power wall advertising will encourage other kids to try smoking. All this from what tobacco companies claim has no effect on non-smokers, let alone our children.

We have opened up a Pandora's box. We have limited tobacco companies to in-store advertising, and given them the key to the most powerful advertising medium there is today, with no restrictions.

The Chair: You have about a minute left for your presentation.

Mr. Gottheil: We do have a sign, however, that says, "Sorry, you must be 19 years and older to smoke." This

means to a child, "When you grow up and become an adult, it's OK to smoke like the rest of us." If the product is restricted, so should be the message. We must protect our children from the influence this tobacco wall advertising has on them. We must restrict the message by putting the product out of sight and out of mind, below the counter, hidden and non-visible. You can sell cigarettes, but not to our children.

The Chair: This round of questioning will go to the official opposition.

Mr. Barrett: Dr. Ashley, with respect to the back wall retail display, much of the testimony has been about children and cigarettes. We've also had testimony over the last several days from tobacconists and cigar store owners who do not sell to children. Children essentially don't go in; there's no gum or cola or products there to purchase. As I understand it, people who go into a cigar store are usually smokers anyway, rather than being non-smokers.

My understanding is that this legislation is targeting cigarettes, to eliminate displays. The proposed legislation would eliminate countertop displays. We know it doesn't eliminate the back wall in retail. That would come later, under regulation. From the University of Toronto, is there objective, neutral research that takes a comprehensive look at these kinds of control policies, at the impact this would have on the rest of the system, whether it's social or economic impact?

Specifically, the legislation as it is now would also eliminate displays in a cigar store, as I understand it. They display on the counters. There are ancillary effects of any piece of legislation. These people are asking for an amendment because they don't serve children, they don't serve non-smokers. Has the U of T looked at that?

Dr. Ashley: No, I haven't looked at that specifically.

Mr. Gottheil: I'd like to address this. Is this related to other tobacco-related products on the counter itself within convenience stores? Is that your question, sir?

Mr. Barrett: No, it's related to, say, cigars in a cigar store, on the counter. This would eliminate that. One hundred percent of their sales are tobacco. They don't sell candy. Their customers are not children. But this legislation is not comprehensive enough to accommodate that, as I understand it. I just wondered: Is university research comprehensive enough to take a look at the other aspects and impact of government intervention in these businesses?

Mr. Hammond: Our research focused only on convenience stores and only on the possible impact on children. We did not look at the tobacco specialty stores.

Mr. Barrett: The legislation doesn't focus solely on convenience stores. It would draw in tobacconists who sell other products. I don't know whether you cover chewing tobacco.

Mr. Hammond: No. In Ontario, 96% of tobacco sales are cigarettes, so that was obviously the primary focus of the research we did.

Mr. Gottheil: But as we know, other related tobacco products are equally dangerous. Being merchandised on a

countertop within a convenience store is equally impactful. What we call normalization, having the product within the same confines as candy and chocolate bars, as pointed out by the video, is very confusing to other children too.

It is our understanding that this government, as part of Bill 164—the complete elimination of all types of tobacco-related product advertising and to put it completely out of sight and out of mind. I don't see any harm if someone who does smoke—as we know, smokers are extremely loyal. I don't see any problem to have someone walk into a convenience store and specifically asking for a cigarette and someone just giving them a package. It doesn't have to really be flagrantly displayed in front of children.

1050

Mr. Barrett: I guess 100% of a cigar store's product is tobacco and everything in the store would be hidden. They would probably go out of business.

As far as the convenience stores, we hear—

The Chair: You have about a minute left.

Mr. Barrett: We hear from convenience store owners as well. They attribute the recent tax increases to a 50% increase in crime. They tell us and the police tell them that eye contact is so important with the customer. For them to bend down under the counter, we are told, they're more susceptible to even more additional armed robberies. Does your research cover the future, what the impact would be, whether it's under the counter or to have a screen or a curtain?

Mr. Gottheil: Actually, we have some research from Saskatchewan. As we know, in Manitoba there is a law banning display advertising in convenience stores, and there has absolutely been no increase in theft.

Mr. Barrett: How long have they had those products covered up?

Mr. Gottheil: I think that's a very fair question. But here's something—

Mr. Barrett: Has it been a few weeks or a month?

Mr. Gottheil: No, no, no.

Mr. Barrett: When was the court case that allowed that to happen?

Mr. Gottheil: I'm not sure of the exact date. But here's an important thing to mention: In fact, 30% or 40% of retailers continued to keep their display bans in place during the 18 months the law was struck down by the industry's legal challenge. The retailers reported that they did this for a number of reasons, one being they believed having tobacco products visible increases theft. So they did this for 18 months prior to it—

Mr. Barrett: In the windows, for example?

Mr. Gottheil: —and they did this for the reason that it would decrease theft.

The Chair: Thank you for your presentation.

ONTARIO CONVENIENCE STORES ASSOCIATION

The Chair: I would call the Ontario Convenience Stores Association to please come forward.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard.

Mr. Howard McIntyre: I'll introduce myself and I'll allow the gentlemen on my left and right to introduce themselves.

My name's Howard McIntyre. I'm the president of the Ontario Convenience Stores Association.

Mr. Abdul Jiwani: My name is Abdul Jiwani. I'm an independent retailer.

Mr. Dave Bryans: My name's Dave Bryans. I'm the executive director of the Ontario Convenience Stores Association.

Mr. McIntyre: I'd like to thank the members of this committee for the opportunity to address you all with regard to Bill 164. As I said, my name's Howard McIntyre. I'm joined today by two key stakeholders, principally one of our 7,000 members, Abdul Jiwani.

The Ontario Convenience Stores Association represents over 7,000 stores across Ontario, including many chains, and over 4,000 independently owned and operated convenience stores. This industry employs over 50,000 Ontarians at store level, with many of these being new Canadians and younger people in first-time jobs. Some 1.2 million Ontarians visit our stores every day, and the industry generates over \$6 billion in economic activity.

One of the key objectives of Bill 164 is to curb youth smoking, and I'm here today to tell you that the OCSA supports and applauds the government for its initiative in this respect. The industry has always supported and worked with initiatives to reduce smoking among young people and will continue to do so with a vengeance.

In fact, a recent Health Canada study issued in January indicated that 54% of teens have smoked marijuana in the past year while only 22% have smoked tobacco. Even more interesting, the study also determined that teens have easier access to marijuana than to cigarettes today—not because marijuana is all that easy to get, but because cigarettes aren't. Why? Because you have to purchase your tobacco principally at a convenience store. With the government's goal in mind, it seems that the convenience store industry isn't doing a bad job.

One area of the bill that the OCSA is concerned with and would like to address with you today is the section that has to do with the banning of tobacco displays by May 31, 2006.

From the outset I'd like to say to the government members of the committee that as an industry we appreciate the opportunities you've given us to be included in this consultation process prior to this bill being finalized and for recognizing legitimate concerns raised by our many members on the effects of a complete retail display ban on them.

As you know, the legislation currently bans all countertop displays of tobacco products and proposes to restrict the size of the back-wall sales area but not ban it entirely. We are here today to present a request to you

that you follow through on your commitment and not sway from it. Do not amend the bill to allow a complete ban. It will be a major threat to our convenience store industry in Ontario. It will threaten our ability to service our customers of majority, the safety and security of our employees and the very livelihood of many family-run businesses in this province. Minister Smitherman recognized this fact when he introduced the legislation, as he talked about the importance of ensuring that while no young customer has an opportunity to handle or purchase tobacco products, shopkeepers should have tobacco products accessible to them in a safe manner.

In addition, we would also request that, as the bill moves forward through the process, the convenience store industry continue to be involved as the government determines what the correct size of the back-wall sales area should be in order to allow our shopkeepers to safely retrieve products for our consumers who are of majority.

Running a convenience store today is a very tough business. Our store owners work long hours and live off very small margins. Hydro and insurance costs have escalated significantly and, worst of all, crime in convenience stores is on the rise dramatically—not just any type of crime but both break-and-enters and, more disturbingly, violent crime.

Earlier in the year, the OCSA commissioned an independent study by the former head of the RCMP, Norm Inkster. This study investigated whether there were any linkages between tax increases and the increase in crime at convenience stores. The results of this study were compelling. Incidents of robberies, which are violent crimes by definition, and break-and-enters at chain convenience stores and gas bars in Ontario increased by almost 28% between 2001 and 2002. One in three convenience gas bars has experienced a break-and-enter or robbery between 2003 and 2004 in this province. One in four chain convenience stores has experienced a crime event in the same period. Fifty-three per cent of the crimes reported involved tobacco.

Have taxes increased during this time? Absolutely. Since 2001, federal and provincial cigarette taxes have increased significantly. For example, on June 30, 2001, the average tax on a package of 25 cigarettes increased from \$3.51 to \$5.84, a rise of more than 60%. In Ontario, over the same period provincial tobacco taxes grew by more than 325%.

During interviews with police officers conducted as part of this tax crime study, police confirmed that crime has increased in convenience stores, and they believe cigarettes are among the top reasons why criminals target some of these types of establishments. Furthermore, police officers said that the price of cigarettes is the most attractive reason for criminals with regard to the ease of disposal.

The point of sharing these observations from this independent Inkster report is not to convince you to stop raising tobacco taxes, although we'd welcome such a move for the protection of our employees. It seems to us that governments have and will continue to raise taxes,

either as a tool to discourage consumption or to increase revenue.

What's clear through this analysis is that as tobacco taxes increase, cigarettes become more attractive to criminals, crime in convenience stores increases and crime involving cigarettes increases. This is a growing problem for our OCSA members and should be a tremendous concern for you as well to establish a safe environment for our staff. It affects the livelihood of our owners.

Another major issue related to the increase in cost of cigarettes is the growth of contraband tobacco in the marketplace. As taxes rise, more and more consumers are finding alternative, illegal sources to purchase their cigarettes. This should also be of major concern to government as it robs the treasury of tax revenue and puts consumers at risk when they buy from these criminal sources, who likely don't have the same diligence for age verification that we attempt to employ.

If you were to consider a complete display ban, on top of the security and safety risks that exist today because of high taxes, the added risks resulting from a complete display ban is of tremendous concern to our membership base. Banning back wall displays will expose our employees to even greater incidences of potential thefts and robberies.

Why is this the case? A complete back wall ban will force our employees to leave the counter, turn his or her back or bend down to retrieve a tobacco product for a customer from a non-displayed container. This creates increased opportunity and, quite frankly, an incentive for someone to steal or commit a robbery while the employee is turned away.

A behind-the-counter tobacco sales area exists for a reason. They're located there to allow shopkeepers to serve customers one of over 280 different brands of tobacco products that these consumers want.

Society has done a much better job of encouraging people not to smoke. As such, the vast majority of staff employed at convenience stores do not smoke, including those under the age of majority. Therefore, smokers count on non-smokers to identify one of the many hundreds of tobacco products that they purchase. This naturally takes a little longer, as the person is not as familiar with the product and the consumer is not able to point out what product they want. Again, if you were to ban this area from cigarette displays, it clearly jeopardizes our employees' safety.

1100

To be perfectly clear here, it's neither our goal nor our method to persuade any consumer, young or old, to purchase a tobacco product. We agree with the Minister of Health. We want to continue to use the space to adequately display tobacco products that are in demand by our consumers, not to promote them.

Just since January of this year, there were over 850 SKUs of tobacco—that's over 850 types of tobacco products available in the Ontario marketplace. Our shopkeepers have to have an area to serve many of these products which is safe and accessible for our staff. In

fact, the OCSA agreed to work with its membership to voluntarily remove all countertop displays one full year before the official ban comes into effect on May 31, 2006.

Another issue resulting from a complete display ban would be the cost of retrofitting current displays to comply with any ban. Noting the Saskatchewan example cited earlier, it's punitive to retrofit your site a second time. That may be one reason why many of the members in Saskatchewan decided to keep their bans up. This type of retrofit would be particularly costly to independent members such as Abdul on my left.

Another point that we want to make clear is that we're not here to advocate on behalf of the tobacco industry. Our members do not sell tobacco products because we want to; we sell tobacco products because our customers want them.

Because of well-focused anti-smoking education campaigns and a change in societal attitudes toward smoking, we thankfully see a reduction in smoking across all age groups. The programs are working. Tobacco is a sunset category in the convenience store business; however, it still represents between 40% and 60% of total sales volume. It is by far the largest category for our members. Many chains have begun to look for substitutes for tobacco, but independents have a tough time dealing with that.

We publicly support the government's objectives with the tobacco bill; we don't want to see tobacco products in the hands of the underage consumer. Another significant issue that we're glad you've addressed is the issue of age restriction and age verification, requiring retailers to demand ID from anybody under the age of 25. Age verification is an issue not only for us but for many other industries as well. We've begun to lead an industry-wide consultation to establish a broader age-verification program covering all age-restricted products. Currently, there is no one program in Canada or in Ontario that allows one to target consumers and parents alike, with the guarantee that we would restrict the sale. We've asked the government to work with us on this new program as it could relate to video, entrance into bars, gaming, etc. It's important that you recognize these issues of policing the sales of age-restricted products. All retail channels have the same challenges as we do.

As we said earlier, running a convenience store today is a tough business. Our costs have gone up, our margins are low and our employees are feeling more and more vulnerable to crime. Please do not amend Bill 164 to completely ban our back-wall sales area. Please ensure that the safety and livelihood of our employees and members is maintained. Don't let those who don't know or understand our business, or care whether family-owned convenience stores succeed or fail, determine the outcome of this issue.

The Chair: Thank you. This round of questioning goes to the NDP.

Mr. Prue: We've had a number of deputations contrary to yours this morning. One of them said that \$83

million, I think the figure was, is given by the tobacco industry to storeowners to put up these power walls. Is that correct?

Mr. McIntyre: First of all, we don't refer to them as power walls. That's something that's referred to outside of our organization. We have a wall of tobacco. There are monies provided for the spatial placement of one product versus another, certainly not in terms of growing the size of the walls, etc. So money, listing fees, etc. are paid in the industry for product to be placed on that wall for information purposes for those who choose to smoke.

Mr. Prue: It seems that the math is pretty easy. They get about \$10,000 a store.

Mr. McIntyre: It's nowhere near that.

Mr. Prue: How much do they get? Perhaps Mr. Abdul Jiwani can answer that.

Mr. Jiwani: I have been in this business for the last 30 years and I don't even get a penny. I'm an independent. They don't pay me a penny to put the cigarettes on the back wall; not a penny, and that is a fact.

Mr. Prue: Who do they give this money to, then?

Mr. McIntyre: There are some retailers out there who do get money for displaying one manufacturer's brand over another, no different than in a grocery store where Coca-Cola is presented in one section a little bigger than Pepsi.

Mr. Prue: We had other witnesses today giving examples from Manitoba and Saskatchewan. Where the displays have been covered up, thefts have actually gone down. You seem to indicate the opposite will happen. Why do you think Ontario is different from Manitoba or Saskatchewan?

Mr. McIntyre: I can't speak specifically. I represent the Ontario Convenience Stores Association. What I'm familiar with is that there was legislation introduced, reversed and then reinstated. I don't know if there's been any comprehensive study done during those time periods on what happened.

Clearly and intuitively, if you take a look at video surveillance, any time there have been robberies in stores, in many instances it's when that person's back is away from the perpetrator on the other side. It's quite often during that time that a crime is committed. I'm hopeful that it won't happen, but it would lead me to expect—people bending down, backs turned etc.—that it would be a less safe environment than it is today.

Mr. Prue: A true robbery is something usually done by threat, either with a gun or a knife or with threatened harm. It's usually done face to face, and the robber usually, in all the videos I've ever seen, goes behind and rifles the cigarettes. The other one you're describing is, where if the store owner's back is turned, someone can shoplift. I'm trying to distinguish the two. The robbery, where they come in and take the money and the cigarettes, is usually done under threat. Is that not true? They go behind the counter, no matter where it is.

Mr. Jiwani: I think I can answer that question, because I have been in this business for the last 30 years.

Number one, if you have to turn your back—usually when you get a thief or a robber, he makes sure that he gets an opportunity to hide his intentions. What he will try to do is to distract you. If you have to turn around and look for something, he jumps right over on your back with a knife. It has happened to me a number of times.

My kids—I've got four—have worked in convenience stores for the last 10 years. They don't smoke. My employees don't smoke. I don't smoke. It doesn't mean, if you've got cigarettes on the back wall that you're going to smoke. It is security, it is convenience and it is the cost factor.

Convenience store owners and operators, small independents, survive on these businesses. If you want us to be out of business, very well; go ahead. Idi Amin kicked us out of Uganda. I came as a refugee to this country. He took everything. Now here I am in Ontario looking at my businesses. I'm going to lose my businesses. They're 60% tobacco. What are we going to do?

Mr. Prue: How much do you estimate it would cost to put up an opaque glass door that either slides or opens for you to get the cigarettes out, so that at other times they would not be clearly visible to small children?

Mr. McIntyre: The legislation in Saskatchewan, if that's the benchmark, indicates that it can't be visible to minors. Opening that door and having somebody standing at the counter looking at it is not in compliance with the law. We estimate it's about \$4,200 to \$5,500, depending on the size of the store, to comply.

The Chair: Thank you for your presentation.

SCHOOLS WITHOUT BORDERS COMMITTEE

The Chair: Schools Without Borders Committee, would you please come forward.

Good morning. You have 10 minutes to make your presentation, and there may be five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Ms. Stephanie Kwolek: Thank you for this opportunity to speak to you today. I am Stephanie Kwolek, a grade 9 representative on the Schools Without Borders Committee in Sault Ste. Marie.

The Schools Without Borders Committee is a group composed of youth aged 13 to 18 that has worked to review the issues of tobacco use among young people and to promote smoke-free initiatives. We have facilitated events in the schools and in the community promoting smoke-free living. We have tried to ensure that our message is heard: Smoking is not popular, and its effects have lifelong consequences.

A smoke-free Ontario will be a healthier place to live, learn and work. Innocent children and adults will no longer have to breathe in cigarette toxins in public places. I would like to thank the Ontario Liberal government for tackling this issue and for taking essential steps in the denormalization of smoking. If smoking is eliminated in public places, it will not appear to be socially acceptable

and the anti-smoking messages taught in schools will finally be reinforced.

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Bill 164 also bans the display of tobacco products or materials promoting tobacco products in stores, except in accordance with regulations. When a young child walks into a convenience store with their parents to purchase candy, the first item they see as they look past the counter is a huge wall of cigarettes, commonly referred to as a power wall. It is composed of hundreds of boxes of cigarettes. The subliminal message the child receives is that smoking is just as acceptable as candy or newspapers. This, however, is not the case, and the only reason these displays are so predominant is that tobacco companies pay retailers to emphasize their products in this manner. According to the Ontario Tobacco-Free Network, tobacco manufacturers paid retailers \$77 million for retail display space in 2002.

The effects of banning power wall displays in Ontario would greatly impact the youth of our province. Young people would no longer be tempted by a wall of cigarettes enticing them to start smoking, or be tempted to try it. Approximately 60% of tobacco purchases are impulse purchases, and by removing power wall displays, we will prevent many people from starting this unhealthy and life-threatening habit. Without power walls, ex-smokers and those trying to quit will face less temptation to begin smoking again, and they may avoid relapse.

If the proposed legislation remains as it is currently written, these power walls would be banned. However, if regulations are put in place to keep the power walls, children would have to continue staring at these massive advertisements that are at eye level.

This year, the Schools Without Borders Committee conducted a Lung Power Challenge for grade 7 and 8 students. We promoted smoke-free living and targeted youth 13 to 14 years of age. Our survey found that the majority of these students had seen the government's recent anti-smoking ads. We realize that the government is sending a strong message to youth by proposing to outlaw smoking in public places. However, that strong message must include a ban on power walls in order to be effective.

Ideally, we would like to see these power walls out of sight and out of mind. Packages of cigarettes can be placed under the counter or below eye level. There is no need to stock hundreds of cigarette boxes at a time, and if fewer boxes are displayed, there is a reduced chance of theft. The area behind the counter of a store is prime advertising space, and many other companies would embrace the idea of stocking their products there. Power walls are the tobacco companies' way to weave through current regulations and recruit new smokers. Targeting youth to become smokers is the only way to guarantee they will have future customers to replace the ones who have died from their product.

The government needs to send a clear, unequivocal message that it is committed to protecting the youth of our province and preventing them from beginning to

smoke. Power walls are directed at young children. They are not necessary to sell cigarettes to an existing smoker. You should not be satisfied with half measures and partial solutions to reducing teenage smoking.

I am proud to come from a northern community that has taken the initiative to ban smoking in public places. I have visited Doug's Hilltop Market in Sault Ste. Marie, a store that sells cigarettes but displays them in an inconspicuous manner, below eye level. The owner indicated that displaying cigarettes in this way did not negatively impact his business and did not encourage youth to smoke. Due to the fact that many of his customers are young children, Doug placed candy instead of a power wall behind the counter at eye level.

There is no reason for young people to grow up in an environment polluted with tobacco advertising. The ban on power wall displays and banning smoking in public places are important steps proposed by the Ontario government to create a healthier and happier population now and in the future.

Tobacco companies have used power walls to circumvent existing laws restricting cigarette advertising, and it is time new regulations are put into action. I'd like to congratulate the Ontario government for taking the anti-tobacco initiative to a new level. Your new legislation will impact the lives of a new generation of non-smokers. On behalf of youth, myself and students from the Schools Without Borders Committee, thank you for this opportunity to speak to you today.

The Chair: Thank you.

Applause.

The Chair: Order, please.

This round of questioning will go to the government.

Mr. Ted McMeekin (Ancaster-Dundas-Flamborough-Aldershot): Hi, Stephanie. Thanks very much for your presentation. My middle daughter is a volunteer with Schools Without Borders in Montreal—she goes to McGill—and I always wondered what sort of work she was doing, so now I know a bit more about that. I was proud of my daughter before this morning, but I'm even prouder of her now, and of you for coming all the way down from Sault Ste. Marie to be with us, and thank you very much.

I want to ask, because you're obviously down on power walls: Do you and your group feel there's a direct relationship between the power walls and the investments some tobacco companies make to gadgetorally seduce young people into smoking? Is that your key point?

Ms. Kwolek: Yes, that it affects youth and their smoking habits.

Mr. McMeekin: So you and your colleagues, who have obviously spent a lot of time doing the research, feel a significant thing the government can do is to move to get rid of those power walls?

Ms. Kwolek: Yes.

Mr. McMeekin: You mentioned the ads in your presentation. I'm assuming you're talking about the stupid.ca ads?

Ms. Kwolek: Yes.

Mr. McMeekin: You like those?

Ms. Kwolek: Yes.

Mr. McMeekin: Are they effective?

Ms. Kwolek: Many of the students have seen them, and they've enjoyed them also, so it's getting the message across.

Mr. McMeekin: I like the one where you're rolling around in the dog crap, right? That would put me off.

I quit smoking when I was eight. I just want to tell you that. My mother was very clever. She knew I was swiping her cigarettes, and so we went to see the doctor, and the doctor listened to my chest and he said, "Little Teddy, you've been smoking, haven't you?" I said, "Yeah," and he said, "Well, let's see, today's Tuesday. If you don't quit, you'll be dead by Friday." I've never smoked again.

What else, Stephanie, needs to be done? What other advice could you bring to your government? You've come all the way down here. Your message on power walls is very clear. What other single thing would you like to see the government doing to assist in the prevention of young people picking up the smoking habit?

Ms. Kwolek: There is an age limit to buying cigarettes, but at high school I see students all the time smoking outdoors, and they're younger than the age restriction to buy cigarettes. It doesn't make much sense that they can smoke but they can't buy the cigarettes, so they're obviously getting them in a way that's not legal. It would be better if there was a legal age to smoke, in my opinion. There wouldn't be mixed messages coming across.

Mr. McMeekin: Mr. Chairman, that completes my questions. Perhaps one of my colleagues has. Listening to Stephanie, I feel our future is in good hands.

The Chair: We have a short two minutes.

Mr. Jim Brownell (Stormont-Dundas-Charlottenburgh): I would like to commend you and your group, Schools Without Borders, for your presentation here this morning. I spent 32 1/2 years in a classroom, and—

Interjections.

The Chair: Order, please.

Mr. Brownell: Health education, the important component of my work in the classroom—you talked about the anti-smoking messages taught in schools. With regard to the power walls, the messages about power walls, and the discussion there, with Schools Without Borders you're working on that, but is this coming through in the messages in the classroom in health education and what not? Is this part of the discussions you might be having in the classroom?

Ms. Kwolek: Not at the present time. In the classrooms I've been in, in health classes there hasn't been mention of power walls. It's basically smoking, second-hand smoke, how it's harmful to your health. It would be more helpful for education for students to see that these power walls are not as acceptable as candy or newspapers. If you point it out to them, then it won't seem normal.

Mr. Brownell: It sounds as if it should be on the agenda for health education in the classroom. I have to commend you. It takes courage and determination, and you have a message. To come here from Sault Ste. Marie, I have to say kudos and all the best in your work with your group, Schools Without Borders. For my colleague, it's great he now knows what his daughter is involved in.

Ms. Kwolek: Thank you.

The Chair: Thank you for your presentation.

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LUCY'S SEAFOOD RESTAURANT CONCEPTS INC.

The Chair: I would call on Lucy's Seafood Restaurant Concepts Inc. to come forward, please.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Leonard Little: My name is Len Little. I'm the president of Lucy's Seafood Kitchen. Good morning, Mr. Chair and members of the committee. We're a casual seafood dining concept with five locations in Ontario: three in Mississauga, one in Barrie and one in Waterloo. By way of background information, I've been in the industry for 25 years. I am a past president of the Toronto Restaurant Association and also past chair of the Ontario Restaurant Hotel and Motel Association.

My message to you today is a very simple one, and that is to level the playing field within our industry. It is true, as you have heard from other industry associations, that the industry has faced a number of difficult setbacks in the last few years, including 9/11, SARS, the high Canadian dollar and, most recently, increasing utility and insurance costs, beverage input costs and labour costs. We operate in an industry that is very competitive and we need to do so on a level playing field.

I have presented over 60 deputations in the last decade to various city councils regarding smoking legislation. I can tell you that I understand the fear of many operators today, because I lived that fear at one time. I lived the fear of going 100% non-smoking and wondering what the economic impact of that would be. I had urged pub operators back in 2000 to support a 100% ban in Peel region, envisioning that the day would come when there would not be a level playing field, from the fact that they could not physically and, in a lot of cases, financially, have the ability to install a DSR.

I'm here to speak on behalf of what I feel is the silent majority. You'll hear from industry associations that of course must act on behalf of their members who are concerned over this issue. I tell those associations that they should also listen to the majority of their members. I can share with you that in 2000, when I was chair, we conducted a member survey. That member survey indicated that over 75% of our members would support a ban as long as it was a 100% ban that created a level playing field.

I think the grandfathering of DSRs until 2010 that has been suggested is a ludicrous idea; 2006 is sufficient. The industry has had enough notice.

I deeply understand all of the issues related to this. I have been involved at a very high level for a very long time in this discussion. I'm an entrepreneur. In general, I'm not particularly in favour of government getting involved in our businesses. But I'm also a father of four. I smoked as a young adult, and I feel strongly that any action that reduces society's dependence upon tobacco is a positive one, so that my children don't pay for those costs in the future.

My message is a very simple one: level the playing field for our industry so we can all fight for customers on the same basis. Thank you.

The Vice-Chair (Mr. Phil McNeely): Thank you very much. The questions will be going to the official opposition.

Mr. Barrett: Thank you, Mr. Little, for your presentation. You would be opposed to grandfathering, so you would see DSRs illegal a year from now, then, when the legislation comes into effect?

Mr. Little: That's correct, yes.

Mr. Barrett: As you indicated, we are hearing from many sides of the various issues. Last week PUBCO and another group presented a research study they had done by a PhD, not a medical doctor—Dr. Evans. He identified a \$1-billion cost to the bar and pub industry. They would lose \$1 billion in revenue and 50,000 jobs would be lost in your industry. Is that accurate?

Mr. Little: I can't speak on behalf of the study; I'm not familiar with it. I can only speak about our own experience. We're in a number of jurisdictions, Peel region being the best example of the DSR issue. Clearly, when we went 100% non-smoking—we do have a bar component to our business as well—there was an adjustment period; there's no question about it. But that business does come back.

When you have the option of a DSR establishment next to one that doesn't have a DSR, you are not therefore really correcting the overall situation and correcting the choice of an individual to either stay at home or, if you're going to go out to a licensed establishment, it would be non-smoking. They still have a choice. They still have a choice to go to a smoking or a non-smoking establishment. So I would suggest that all you're doing is pushing revenue from one establishment to another.

I do strongly believe, and it has been our experience, that when you do go 100% non-smoking, after a period of time, that clientele does return. Frankly, if all you're in business to do is sell a cigarette and a beer, then you haven't got much to offer. I've always advocated that we're not in the business of selling tobacco; we're in the business of selling entertainment and food and beverage.

Mr. Barrett: I hear what you're saying with respect to restaurants. I know that this study didn't cover restaurants or doughnut shops; it was more bars and pubs where their clientele—I have to admit, I haven't been in your restaurant.

Mr. Little: You're always welcome.

Mr. Barrett: I'm old enough.

Again, people do have a choice and they do make decisions. It's heartening to hear that smokers would come back to your restaurant. Some of them have indicated to me, "Well, if that hotel down there kicks the smokers out, then the non-smokers like me would start going there." The jury's out on that one.

I guess the other issue that comes up, when we see this study of loss of business or people staying home smoking with their kids, which isn't necessarily good either—we sure saw evidence of that with the drinking and driving movement a number of years ago. I was involved in anti-drinking and driving. A lot of hotels closed down because of that, and a lot of adults ended up drinking at home. It raises the whole other issue of children of alcoholics. Again, that's not something that you're concerned about, but I guess the uncertainty must be frustrating for your business, or any business, with these changes. On the one hand, we have people like Michael Perley and Gar Mahood, who signed an agreement to bring in designated smoking rooms through Toronto public health. I don't know whether that covered Peel or not; I guess that was maybe just Toronto.

The Vice-Chair: Thirty seconds for an answer here.

Mr. Barrett: I didn't ask a question. There will be more legislation in the future; there are other approaches that are being proposed by anti-tobacco people. Does this kind of uncertainty affect your business?

Mr. Little: Certainly the patchwork that has existed on a municipality-to-municipality basis has been a difficulty. I applaud the government on taking the initiative to go forward and have a piece of legislation that covers the whole province. The only way to have a level playing field is 100%.

The Vice-Chair: Thank you very much.

The next presentation will be Council for a Tobacco-Free Community, London-Middlesex, Jacqueline McGann.

Mr. Barrett: While we're awaiting the deputant, Chair, just on a point of order: I know this came up earlier about—I think it was indicated that designated smoking rooms in Toronto sunset in 2008 or on some certain date. I have information from Toronto public health—it's their Web site that indicates that designated smoking rooms are allowed past June 2004. From this, there doesn't seem to be any date or year that the Toronto ones shut down anyway. It indicates here that if they're going to be shut down, it's the government of Ontario that would shut them down, not this Toronto bylaw. I could pass this over to the clerk.

The Vice-Chair: Thank you. That will be done.

Mr. McMeekin: On another point of order, Mr. Chairman: Since that point of order was raised, I wonder if we could get just a summary from research from the Association of Municipalities of Ontario and their request to the province. My understanding is that they made a number of requests around the issue of governance in this area, and it would be helpful to see what the association

that's speaking for municipalities—I don't know if they still speak for Toronto or not, but it would be helpful, if we're going to get some information from Toronto, to hear what the association representing all the other municipalities is saying about this as well. A simple phone call from our research people could do that—their view on this issue.

The Vice-Chair: I think that'll be done. We can go on with the next presentation.

Mr. Prue: If you're looking at when Toronto's bylaw sunsets—and I'm sure it is 2008—could you also do Hamilton and Mississauga, which are 2009 and 2010, to the best of my knowledge?

The Vice-Chair: Thank you for that.

You may start your presentation.

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COUNCIL FOR A TOBACCO-FREE COMMUNITY, LONDON-MIDDLESEX

Ms. Jacqueline McGann: My name is Jacqueline McGann. I am the chair for the Council for a Tobacco Free Community, London-Middlesex. As our name suggests, our objective is to eliminate our community's exposure to the harms related to tobacco.

The CTFC is a coalition whose members include the Centre for Addiction and Mental Health, the Canadian Cancer Society, the Middlesex-London Health Unit, and other like-minded community groups, health professionals, pharmacists and volunteers. I am one such volunteer. I do not work for any of these fine organizations, and I do not have any formal training in this field. I am a concerned citizen who has been moved to become involved. My full-time job is being a mother to three school-age boys. It is their present as well as their future health and well-being that has moved me to become involved with the CTFC.

I'm not going to spend a lot of time going over the known health and economic risks of tobacco; there are plenty of experts here who can give you that information. What I am going to tell you is how our community group has helped to make London a healthier city and what we learned from our bylaw work.

Not only will smoke-free legislation such as that proposed in Bill 164 protect every citizen working and living in Ontario, but dealing with access and promotion of tobacco products will also decrease the chance of our youth starting to smoke and those who have quit smoking from starting again.

I would also like to share with you my personal involvement with this deadly product.

The CTFC has been an active coalition in our community for more than 13 years. We were instrumental in bringing about one of the province's first non-smoking bylaws that had 100% smoke-free areas in bars and restaurants. There were many bylaws around the province, but we were second to Guelph to have a bylaw that included the phasing in of smoke-free bars and restau-

rants. During this process, we learned that phasing in such laws is an enforcement nightmare, as it creates an uneven playing field for our business community. It also presents a patchwork of protection for our workforce. A comprehensive approach that includes all areas of risk, with no exemptions, is the only way to protect us all.

I urge you to stick to your plan to see the end of DSRs in 2006. By not allowing for DSRs, London's smoke-free bylaw has come down on the side of clearly proven science. How can we say to one employee, "You are worth protecting," yet to another, "You are not"?

Just in case there's any doubt in your mind as to the dangers of second-hand smoke and the impossibility of removing it with ventilation, I have included a fact sheet from the Repace Associates Web site. James Repace is a leading expert on second-hand smoke and the ventilation myth.

Approximately 20% of our population smokes; that leaves almost 80% who do not. When legislation is geared toward 20% rather than the clear majority, it helps create the illusion that more people smoke than actually do. For smokers trying to quit and for our young people, this illusion is a powerful tool that the tobacco companies rely on.

One thing I'm sure you've heard and will hear again is that power walls are a large trigger for someone who has recently stopped smoking. The reason I bring this up is that I know this first-hand.

I quit smoking six years ago, on May 9, 1999. As you can well imagine, it was not an easy journey. To date, it has been the hardest thing I've ever done but is one of my proudest accomplishments.

I started smoking when I was in grade 7. I was just 12 years old. I grew up seeing my father smoke at least a package of unfiltered cigarettes a day. I went upwards of three or four times a week, note in hand, to purchase them for my father. One thing I can tell you is that the size of those displays has not gotten smaller. They are much larger now. I started smoking for the same reason many kids do: to fit in. I had to start a new school. I was now in junior high. I wasn't a little kid any more. I was scared that I wouldn't make friends, so when two girls talked to me and asked me if I smoked, I didn't even think about saying no; I stood there and gagged right along with them. I soon found out that I didn't need a note any more; I could purchase cigarettes all on my own. So began my 21-year battle.

Over the years, I tried to quit a dozen or more times. But when my twins were four years old and one of them put a crayon in his mouth like he was smoking, I knew that that was it; I had done that. I was devastated and ashamed. He was imitating what he saw. I tried very hard not to smoke in front of them. I deluded myself into believing that I was successful in shielding them from my addiction. I, of course, was very wrong. I knew that if I did not stop smoking, that crayon would be a cigarette someday. I had to quit. But in order to ensure my success, I knew I would have to drastically change some of my behaviours.

Once I got serious, did my homework, set myself up for success and carefully worked my way toward my goal, I was able to overcome my physical as well as my psychological dependence on tobacco. One of the strategies I used was to remove as many of my triggers as I could from my life. I stopped drinking tea and coffee for quite a while, I stopped sitting outside with friends who smoked, and I stopped going into convenience stores. I was withdrawing from a very powerful drug and knew that all the willpower in the world would not protect me every time I needed a bag of milk. Long before I knew what a power wall was, I knew the power it held over me.

We strictly control the advertising of life-saving medication in this country. We must hold this deadly product to higher standards. Tobacco companies paid more than \$88 million to Canadian retailers in 2003, with an average of \$876.66 per tobacco company to each retailer. That is up from \$563.42 in 2001. The tobacco companies contend that this form of advertising is targeted toward adult smokers to entice them to change brands. That's a lot of money to direct to a demographic that we know is brand-loyal by the time they're 18 years old. Funny: They're brand-loyal customers of a product they're not even legally allowed to purchase yet. How did they become so loyal if the advertising and lifestyle marketing was not directed at them? And if it didn't work, you could bet that the tobacco companies would decrease the amount they spend on this form of advertising. But they haven't; what they have done, however, is increase the amount by 50% since 2001.

At a recent conference that I attended, one speaker pointed out that each cigarette package was like a mini-billboard that is pulled out upwards of 25 times a day, and it comes with an adult's endorsement. Let's take that statement one step further and walk into a convenience store, and pow: There are hundreds of these mini-billboards staring you in the face as you try and buy that bag of milk. And oh my gosh, there is your brand, and then little Johnnie pipes up and says, "Mom, that's the kind you smoke." Two things have just happened here: The recently smoke-free woman is now subject to some pretty savvy and expensive marketing techniques. As well, a child has just identified with another product logo, not unlike the logo found on the candy and chips in the same store. To little Johnnie, cigarettes are just another thing you buy when you're big. We need to take cigarette advertising out of our normal landscape and treat cigarettes as the controlled substance they are. You have to be 19 years old to purchase this product. There is no reason for our youth to see hundreds of packages of cigarettes every time they go into a convenience store.

We teach our children that if you say nothing, you agree. If you stand by and witness a crime or an injustice, you are passively participating. The onlooker who does nothing is the enabler. The tobacco companies are the bullies; the citizens of Ontario are the victims. Is the province going to be the bystander? Or are you, our elected officials, going to step up to the plate and protect us by saying in a very clear voice, "Not in our province"?

We are responsible for our actions as individuals and as a community. We are the example our children see. It is for that reason that my children have not gone into a convenience store for almost six years. If we continue to condone and passively support this deadly addiction, then we will continue to help recruit the next generation of smokers. Thank you very much for your time.

The Chair: Thank you. The questioning will go to the NDP.

Mr. Prue: I think you've made a very compelling and very emotive case here. Your circumstance was not like that of so many teenagers; you're absolutely right. When I grew up, I think everybody who was going to smoke was smoking by the time they were 11 or 12 years old.

When I asked the legionnaires today—80-something years old—they would want to stop children from smoking, even though they've smoked for 60 years and talk about enjoying a cigarette. Obviously, many of the people have said that we should be looking to stop the children from smoking rather than trying to dissuade the adults. Would you agree with that?

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Ms. McGann: Certainly. I think what we have to look at is that children, especially at that adolescent age, are trying very hard to be their own person, and part of that is going against our parents' or society's wishes. They want to make a break, do their own thing. When you've got tobacco companies enticing them, saying, "Oh, no; this is just an adult activity," that's what they want more than anything in the world: to be that adult. We certainly have to attack this issue.

Mr. Prue: Power walls: We've heard from the store owners. Were you here when they were—

Ms. McGann: Yes.

Mr. Prue: They were claiming they didn't make any money. You've given a figure here, which is—where was it?

Ms. McGann: It was \$876.66.

Mr. Prue: OK. Where did you get that from? When I went outside, I was informed that it was, on average—I was using Canadian figures with Ontario ones—around \$1,500 per power wall at this point.

Ms. McGann: That figure is per tobacco company per retailer.

Mr. Prue: OK. Per tobacco company per retailer. OK. So every tobacco company is wanting to spend the money—and this is, I guess, a form of money going to the retailers. It's as much making a profit doing that as actually selling things.

Ms. McGann: The tobacco company is purchasing space from that retailer, not unlike the mustard aisle in your grocery store. The larger the section in the store, the larger the amount the company has paid to display that product. That's a known practice.

Mr. Prue: In some countries, like in Iceland, they keep the tobacco under the counter but in a shelf. You pull out the shelf, you pull out what you need, so you can constantly look at the person you're serving. I also heard the arguments that this is going to increase theft. Have

you any idea how pulling out a shelf in front of you, taking out what you need so that the children can't see it, would increase theft? I'm perplexed. You seem very intelligent on this. How could that possibly happen?

Ms. McGann: I can't see that that is going to be the case. I would think that you would be a little bit more diligent about having ready access to the amount of product you are going to need in the run of a day. For retailers, this is their business. They're going to know, on average, what they sell, and the rest of it, I would think, they're going to have it under lock and key somewhere to restock their little pull-out shelf.

Mr. Prue: As a mother with three young sons, do you think that the education system is doing enough? Is there anything the education system needs to do over and beyond what this bill seems to be accomplishing?

Ms. McGann: We need to bring to the attention of our educators all aspects of the harms of tobacco. Some of that has to do with advertising and getting our children to be just a little bit more savvy about what's going on out there and what's directed at them and what the intention of those companies are. So that's certainly part of it. We need to start addressing the risks of tobacco a little bit younger—not just at, say, grades 6, 7 and 8 and upwards.

Mr. Prue: One of the things I noticed growing up and even noticed when I was doing some supply teaching for the Toronto board as far back as the early 1970s was that many of the teachers smoked. They couldn't smoke in the classroom but they would smoke in the teachers' lobby or, later on, outside the school yard with the students. This must have had a profound effect on students. As a mother, do you ever run into this happening? Does it still happen? I don't know.

Ms. McGann: It does still happen, to a certain degree. I know that there's a high school—now, I'm certainly no expert in this—that's located not far from where I live, and when you drive by, you will see the teachers out on the curb smoking off school property. I have an issue with that.

Mr. Prue: Well, yes. I have a huge issue with that. They're the ultimate role model for the kids.

Ms. McGann: They've got them for six to eight hours a day. They're a captive audience. Of course.

The Chair: Thank you for your presentation.

ZAPHOD BEEBLEBROX

The Chair: Zaphod Beeblebrox, please come forward.

Mr. Eugene Haslam: Good morning, Chair. I'd ask if you could give me a five-minute time warning and then a two-minute warning, because I'm winging this.

The Chair: Sure; I wish more would ask. You do have 10 minutes, and there may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard, and I'll try to give you some warning.

Mr. Haslam: Especially because of my business name. My name is Eugene Haslam. I own a nightclub at

the edge of the universe, in Ottawa, called Zaphod Beeblebrox. Some of you might know that because of the movie coming out: *Hitchhiker's Guide to the Galaxy*.

My qualifications for coming here are that I'm a smoker and a drinker. I'm also a bar owner. When Ottawa went non-smoking, it was tough for me, because everyone told me my business would go down; my customers told me they wouldn't come because they wouldn't be able to smoke there. I'm a smoker too, and I thought, "I can't smoke in my own bar." But the interesting thing for me was to look at it, and intellectually, morally and ethically, it was all right that we don't have smoking in the bar. I've heard some people make presentations here that it would kill the industry. In Newfoundland, when the cod industry was going down, we knew it was right to protect the industry, so they stopped people from fishing for cod. We know it's right to not have smoking in a bar, and as owners, this issue is just an economic issue.

It hurt me in the early days; business did go down. But I'm here to tell other owners—I heard another speaker say, "The business we're in is not about smoking." I sell entertainment. I sell a good time. In a lot of cases, it's not even about the beer. I've been around the world to many different places; I've had tea with lemon in the middle of the desert, and it's like a bar. People go to bars because they're social places. If it's all about drinking and smoking, well, you could go to the liquor store or beer store and get a bottle of beer, go to the convenience store and get your cigarettes and then sit at home. The reason people go to bars is to hang out with each other. It's just a social thing.

The important thing here is that as owners, we were scared. I was scared. I did lose business, but one of the things that made it work for me was that I went outside. In other bars that were not outside, they made their customers more upset. The talk was always about, "That damn government; the smoking," yadda, yadda, yadda. You know what I did? I went out there with them, and I still do; I smoke outside.

Some very interesting things have happened. Number one, Julie Doiron, a Juno-award winning artist who was seven months pregnant, could play in the bar. I've had many different bands, from Jewel to Alanis Morissette to Nickelback. With many bands that come in, their girlfriends or their wives are pregnant; they can now come and see these bands. What an amazing thing: People can come into a bar again.

In my business, my capacity is 250; there are 20 people smoking outside at any given time. These 20 people were trying to tell me that I should continue to allow smoking in there. Any sensible businessman is going to say, "You know what? There's 230 people in there, and they're having a good time." I've also found that the younger people who come to the bar don't smoke. They look at the rest of us who are smokers and they go, "You're old." Seriously.

I'm not here to tell other business people that their case is not valid. It is a valid case economically. I understand the economics of it; it hurt me. But when some-

thing is right, I have to get outside, and I did. I show customers that we could have a good time in the bar, we could drink. We went back to what bars are all about. We went back to providing entertainment. You know what I say to some of these other places? If you're going to lose some money on your cigarette smokers, make up T-shirts or sell some other thing in your bar; find other sources of revenue. There are ways to get this done.

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When I go to Loblaw's and look at a package of pretzels and there's hydrogenated oil in there, do you know what I do? I put it back on the shelf. I'm not going to buy something when I know it's wrong for us. They told us cigarette smoking was OK for us. I'm trying to quit; I can't. As an owner, I wouldn't let a crack addict into my bar. Why would I let a smoke addict into my bar? I'm that smoke addict. I want to quit, and I'm helping other people quit. I used to smoke a pack a day. I'm down to a pack a week. Hopefully, it'll be none.

The Chair: You've used about six minutes.

Mr. Haslam: Oh, plenty of time.

One of the things that's really important is this level playing field. In Ottawa, what happened was that the city council decided this was going to apply to everyone. We don't have DSRs, which is a very good thing, because I find that there are so many different bars—the market is a very popular part of Ottawa, sort of like Queen Street would be here—and you've got many different configurations of bar. If some huge bar could build a DSR, the guy next door, who doesn't have the space to build that DSR, would lose to the other guy. The level playing field is really important in this. I would actually like to see that even the patios not be places where people can smoke. The reason is that this is our business territory. If this other business beside us has a little room or alley or patio where people can smoke, it hurts the other guy. It really does. If it hurts me, then I have to find some way of circumventing and do what the other guy does. If you have a level playing field, it works better for all of us.

The law in Ottawa came in maybe three or four years ago. I don't even remember. What's really interesting is that I was out in Toronto last night. I came in yesterday to be here a little early, and I went to a bar last night. When we were out there smoking, everyone talked about this. "How odd," I thought. When I'm in Ottawa and we're out there smoking, we don't talk about it. It's a non-issue. It's done. It's gone.

I was running scared when the law first came out, but I got outside and I found that after a while, if you go back to what you're doing, people come for those very reasons that you built your bar or restaurant. I've always said that the bar that I built is a great meeting place, an awesome place. If you're ever in Ottawa, come—or go to the Web site. That's what I'm trying to build there. I say to other owners, "If smoking is all you're offering your clientele, get a new business plan."

The Chair: You have two minutes left.

Mr. Haslam: Every time someone hurts during business changes, someone else gains from it. What happened for us is that business went down for a bit and then

it started coming back, because the non-smokers could come to the bar, the non-smokers who wanted to see bands. I bring in bands from around the corner and around the world, and the non-smokers started to realize—it takes them some time—that they could actually now go to the bar. Now we actually have to have a fog machine if we want to create some smoke in the bar. Before, we didn't have to.

One thing I would ask the government to do, though: Any time you have businesses that are hurting—just like with mad cow disease, or farmers who have difficulty with drought—governments step in to try to help their businesses, even if it's only in the short term, even if it's only tax breaks.

I empathize with the other bar owners, even the convenience store owner, Abdul. I empathize with him. He's coming from a foreign country and he's done really well for himself. I've come here from a foreign country and I've just made an ass of myself, mostly, but people like what I do.

The Chair: If you could make one final point, then we'll go to questioning.

Mr. Haslam: It's very important that we help the owners. When the new law came in, the mayor and all the other city councillors said, "We're going to send a signal to people. Now that bars are smoke-free, they'll come to the bars." They went out to the bars and the restaurants—once. It's really important that the government help these people. Start a campaign in the media to encourage people. Now that we've done this for them, come and support us.

The Chair: Thank you. This round of questioning will go to the government.

Mr. McNeely: Thank you, Mr. Haslam, for coming down. I'm from Ottawa, and I was on council there during that period. I think it was 2002 when the bylaw was brought in. I wish you'd been around for me to talk to, because I was getting a lot of calls from PUBCO people.

Mr. Haslam: I had to go under the radar, actually, because I was very afraid of the other people.

Mr. McNeely: This was a really difficult process. My son happens to work in a bar down in the market. That's his night job. It was easy for me to take the stand I did in 2002 because he had just gone to the doctor with a chronic cough. The doctor thought it was from smoking a couple of packs a day. He said, "No. I don't smoke." "What do you do?" "I'm in a bar." The doctor said, "Quit." He quit, and the chronic cough went away very quickly. He's working very happily at his night job in the bars again because it's smoke-free. Young people really appreciated—friends of my three boys have come up to me and said, "That's one of the best things the city of Ottawa," your council, "did."

It's nice to hear that after the fact, because it was difficult for some owners. I heard the Royal Oak people the other night, and they said they're expanding. I don't know how many outlets they have. We said, "What about the smoking bylaw?" They said, "Oh, we turned the page

on that long ago." They were one of the ones that were most concerned. So I'm very pleased that you came here today to give us your experience, because it's so important. I enjoyed your presentation very much.

As we move forward, my own concern is that we're allowing the kids to get all this advertising in the convenience stores. You're saying it's up to us as a government to get out there and make sure there's support for the convenience stores: advertising and that. Do you see a similarity between the convenience stores and the pubs, or are they much different?

Mr. Haslam: I think it's a totally different ball game. I would not be able to comment on what it's like to be a convenience store owner. I know what it's like to be a bar owner. I also know what it's like to take a stand that I feel is intellectually, ethically and morally correct. Instead of beating my fellow business owners over the head and saying, "You have to do this," I really wanted to come here today to encourage them, because my situation has shown that it can be done. If you put your mind to it, every business owner, when faced with some hardship, has to dig deeper and find out what it's going to take to make that business run. I'm asking them to do that.

I dug deeper. I tried to find out what it was that made people come to bars. It was about our level of service. I stand at the front door of my club almost every night. I wish people a good entry and I wish them good night and safely home. I say, "Tell your cab driver 'marhaba,' because I know your cab driver's going to be Arabic." It's all about that connection with your customer and building your customer base. "Go back to square one," I'm telling all the other owners. "Rebuild your business from the ground up."

There was a time when there was no smoking anywhere. This has only happened in the last few hundred years. Bars were around way before that. People congregated around the old oak tree long before that. People drink tea. When I went to Yemen, I couldn't drink alcohol, but we were sort of like in a bar situation because we hung out together. That's what bars are about. I want them to go back to that, and I want to encourage them. It will be scary at first and they will lose a bit of money, but that's why I'm asking you guys to put some money into advertising to the people who haven't gone out to bars now who have been waiting for us to go non-smoking. Get them out into the bars and restaurants. Help them support these owners, because these owners are working very hard.

Mr. McNeely: I think we'll remember, morally and ethically—that's where you're coming from. Thank you very much.

The Chair: Thank you for your presentation.

The committee stands recessed until orders of the day this afternoon.

The committee recessed from 1200 to 1547.

CITY OF TORONTO

The Vice-Chair: The standing committee on finance and economic affairs, with respect to Bill 164, the

Smoke-Free Ontario Act, will now come to order. The first presentation is the city of Toronto.

Would you come up to the front and take your seat, please.

Mr. McMeekin: Mr. Chair, while we're waiting for that to happen, I just want to take a second to compliment research staff. You may recall a couple of requests that were made, one being for a presentation of the AMO position on this matter, just as we were breaking up at lunch. Lo and behold, here it is. So congratulations to Anne on that, and thank you for that. It was very quick. It's interesting too, Mr. Chair, that the first paragraph sums up their entire position.

The Vice-Chair: We'll start now, Mr. Jenkins. You have 10 minutes to make your presentation. The questions will start with the official opposition, and there will be five minutes for them to question you. You may start. For the purposes of Hansard, please state your name.

Mr. Cliff Jenkins: My name is Cliff Jenkins. I am a city councillor for ward 25. That's Don Valley West, in the city of Toronto. I thank the Chair and members of the committee, the staff of the committee and MPP Kathleen Wynne for enabling me to present my views in support of Bill 164 to the committee. I will present evidence, as captured on a videotape, to support provisions of the bill with respect to designated smoking rooms. I will also briefly address the issue of power walls of tobacco products. While many other deputants will provide evidence with respect to the negative impacts on public health of power walls, I will provide you with additional motivation to improve provisions of the bill with respect to power walls.

First of all, my mandate: In November 2003, I was elected to Toronto city council. As part of my election platform, I addressed many issues, including the importance of tobacco control to the health of the citizens of Toronto.

My election materials included the following words: "Protect public health by extending the smoke-free bylaw to cover all public places in Toronto and to protect all employees from second-hand tobacco smoke—that is, end designated smoking rooms. By exhibiting leadership, we can make it easier for the provincial government to take it province-wide." Let me say parenthetically, the province is clearly leading the city of Toronto right now.

Comments from many electors lead me to conclude that, in electing me, the voters also endorsed my publicly expressed position on tobacco control.

Actions taken as a councillor: Within a few months of the election, I determined to do research into compliance with the city of Toronto's bylaw regulating designated smoking rooms. With a cameraman in tow, I visited some Toronto restaurants with DSRs. What I discovered—and what you will see in the following videotape—is that DSRs commonly have deficiencies that permit tobacco smoke to endanger the health of patrons and employees.

I'd ask the staff to run the videotape, which is about five minutes. I will say that the professionalism of the journalism here will not risk any professional journalist's job.

Video presentation.

The Vice-Chair: You have two more minutes.

Mr. Jenkins: Thank you very much. I'm not going to threaten any journalist's job. But I trust you will make the following conclusions after viewing that videotape:

(1) Designated smoking rooms in restaurants commonly are not properly separated from adjacent dining facilities, which are supposed to provide a smoke-free environment. Consequently, smoke readily travels into the smoke-free area, endangering the health of people in those rooms.

(2) Employees, primarily bartenders, are stationed within DSRs. If they work a full shift in that environment, they will be exposed to extended levels of tobacco smoke, carcinogens and other harmful chemicals.

Consequently, I recommend: (1) That you prohibit the implementation of new designated smoking rooms immediately and (2) that you require that any existing DSRs become entirely smoke-free at the earliest possible time.

Any operator who made a recent DSR investment, in view of the election platform of the government, has acted entirely imprudently. Operators of older DSRs—pre-October 2003—will have had adequate time to recoup their investment.

Briefly on power walls, Bill 164 contemplates permitting power walls of tobacco products to continue. The public health implications would be quite negative. Power walls send a message to children that in some respects society accepts tobacco products on a footing equal to other consumer products. If children then conclude that tobacco is thus as safe as other consumer products, they may be more susceptible to trying tobacco and possibly becoming addicted.

You need to know something else if power walls continue to be allowed: The health community will relentlessly and tenaciously continue to hound you until you make the correct public health decision on power walls; that is, to end them. I have observed the health community in its pursuit of public health through tobacco control for over 30 years. Their pit-bull-like tenacity in pursuit of the public good has resulted in success after success in tobacco control. When they have had the occasional setback on an item—for example, smoke-free restaurants in Toronto in 1996—they never give up. They have always prevailed on every tobacco measure they've pursued and they will certainly prevail on power walls sooner or later.

If Bill 164 passes in its current form, the health community will certainly congratulate the government. Their press releases and newsletters may say, "Provincial government's Bill 164 passed. Substantial benefits for public health in tobacco control, but government leaves power wall promise unfulfilled." Thousands upon thousands of people in the health community will then get a mixed message: Excellent progress, but one item very surprisingly still left outstanding. The implication will be clear: There is still work to be done in persuading the government to ban power walls. They will come back to you relentlessly.

Consequently—

The Vice-Chair: Thank you. Your time is up. We'll go to questions now.

Mr. O'Toole: Thank you for your presentation, Cliff. This is your scientific argument for your opposition to the designated smoking rooms. Your evidence is submitted in these hearings, right?

Mr. Jenkins: You're very generous in saying scientific, I will say, but that is the evidence I wish to submit demonstrating that designated smoking rooms essentially do not work.

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Mr. O'Toole: Did you use that during your election, part of the gimmickry of it all?

Mr. Jenkins: That videotape was made after my election.

Mr. O'Toole: It was. That's good. The reason I—

Ms Kathleen O. Wynne (Don Valley West): He was already our good councillor in Don Valley West.

Mr. O'Toole: Chair, could you add that to my time, because she's interrupting me. I thought it was—

The Vice-Chair: The five minutes are for the opposition.

Mr. Peter Fonseca (Mississauga East): Mr. Chairman, on a point of order: During the questioning, was the last questioner before we recessed the third party?

The Vice-Chair: That's quite possible. We'll make the adjustment later on. I asked the clerk where we would start and we were to start with the opposition.

Mr. Fonseca: In rotation, I thought it would be the government.

The Vice-Chair: We'll do a check on that and see if there's been some unfairness.

Mr. O'Toole: You'll add my time back on?

The Vice-Chair: I'll add your time.

Mr. O'Toole: Thank you very much for that interruption.

I actually found the video itself and its content important and necessary to understand the debate that we're dealing with here. I felt at the end of your remarks that there was some room for consideration of when persons are put in these smoking room areas.

Just a couple of things: You are familiar with negative ventilation, that if the door was open, it would actually be moving toward the negative pressure? Did you think of that? Perhaps you didn't.

The other thing I wanted you to know is that most of the style was intrusive and aggressive. It puts people in a defensive role, much like you'd feel if I were to be more assertive with you. That's not a proper, balanced way to treat people, to make your point, because when there's a disagreement of points, there still has to be respect. It was their property. That to me shows a sort of attitude that's problematic in solving the issue of designated smoking rooms in places of business. You'd probably agree with that, I think.

The other point I wanted to make before I give it to Mr. Barrett is, if I had seen objectivity in the presentation, I would have—how many bars did you go to? You

only videoed the bad case of the one, so that was a waste of our time. Councillor Nunziata was here this morning and wanted to make a presentation. Because you're a friend of a Liberal member, Kathleen Wynne, that's why you're here making a presentation. So the time of this committee has been wasted.

Mr. Barrett: That's true. Councillor Nunziata is very upset.

Mr. O'Toole: She is very upset, and we have an e-mail on that. This is one more example of the arrogance of this government not wanting to hear the voices of persons who have a different opinion.

The Vice-Chair: You have another minute to ask your question.

Mr. O'Toole: No, I'm finished. Thanks very much.

Mr. Barrett: Also to get to the issue, just to reiterate, the reason the door is open between the non-smoking area and the smoking area is that the fan exits air from the smoking area and creates negative air pressure to draw the air from the non-smoking area, through that open door, into the smoking room and then outside. It eliminates the second-hand smoke. I'm not sure whether you're advocating that second-hand smoke is a health problem, but apart from that, it eliminates the second-hand smoke.

Mr. Jenkins: Well, let me say that in all of the restaurants I visited—and let me answer Mr. O'Toole's question, which I wasn't allowed to answer there a second ago. We showed three restaurants, but in fact we visited four restaurants. So we visited a total of four restaurants and we found that three quarters of them were in violation of the bylaw.

Mr. Barrett: Did you fix that problem?

The Vice-Chair: The time is up for the questions and answers. Thank you for your presentation.

ROBERT BOSHAW

The Vice-Chair: The next presentation is Robert Boshaw. Thank you for being here today. You have 10 minutes to make your presentation. There will be five minutes for questions from the NDP, Ms. Shelley Martel. State your name for the purposes of Hansard.

Mr. Robert Boshaw: Thank you very much, ladies and gentlemen. My name is Robert Boshaw and I live in Orillia. I am 36-year-old father of five children. I have never smoked and, prior to working at Casino Rama, I have never had any major health problems.

Casino Rama hired me as a table games dealer in June 1999, and I finally had to resign my position in February of this year because I developed asthma and could no longer work in an environment full of second-hand smoke. Prolonged exposure to second-hand smoke in my workplace made me sick. To the best of my knowledge, I am the first person in Ontario, and only the second in Canada, to be awarded employment insurance benefits due to workplace exposure to second-hand smoke.

Officially today I am presenting on behalf of myself. I have asked several of my former co-workers to present as

well, but everyone has told me they fear for their jobs and they are afraid to speak publicly about this issue, fearing possible repercussions and termination of their employment. Therefore, unofficially, I am here on behalf of the employees of Casino Rama, and also on behalf of all Ontario's casino workers.

I was in good health when I began my employment at Casino Rama. I have always been physically active, farming or doing construction work, and I have never had any difficulty in breathing.

When Casino Rama hired me, I had to sign an acknowledgement that I would be working in a smoking environment. I needed the job, and frankly I would have signed anything to get it. At the time I did not mind signing this particular document because I felt it was just one of several things I had to sign in order to get the job. I also felt that smoke was merely something that was part of the casino environment, that it had been acceptable for years, and I had no reason to protest.

For nearly six years I worked the swing shift, 8 p.m. to 4 a.m. at Casino Rama, dealing blackjack and roulette in an environment where the air was constantly blue with tobacco smoke. The smoke came from patrons' cigarettes and cigars.

At any given time I would routinely have up to 10 people playing at the table I was dealing at, all of them smoking. I could never take a step back from the second-hand smoke the patrons generated. I was regularly in charge of a bankroll worth up to a half-million dollars. I had to maintain the integrity of the game I was dealing, and I also had to protect the money I was responsible for.

I was exposed to second-hand smoke for eight hours a night, five nights a week. The smoke lingered heavily in my clothes and hair and on my skin, and the first thing I did when I came home from work each morning was to have a shower and wash the smoke off.

Within six months of my start date, I caught a cold that was unlike any cold I had ever had. It was actually pneumonia and I required antibiotics for a month to get over it. I had never had pneumonia before, and I knew it was serious. At the time, I thought my illness was merely stress-related and not due to the second-hand smoke at work. I have a large family to support and I was at a new job that required extra time to train so I could be eligible for promotion. I was working toward my goal of full-time employment at Casino Rama so that my family could have health benefits.

I recovered from my bout of pneumonia, but my breathing has never been the same. My chest is tight and it is difficult to breathe deeply. I have since suffered from several lung and sinus infections. I was diagnosed with asthma in 2001 and I was prescribed an inhaler to relieve the tightness in my chest to help me breathe. My doctor told me I had developed asthma by working in the smoky casino. Second-hand smoke is a trigger for my asthma.

During one chest infection that was particularly bad in 2003, I was prescribed another medicated inhaler, this one containing steroids. My doctor told me I was to use this inhaler whenever I caught a cold in order to prevent further infection of my lungs.

It was at this time I started to wonder whether working at Casino Rama was worth it. As a dealer, I was making between \$20 and \$21 per hour, and I had health benefits. My family needed me to have a good, regular paycheque. I have a daughter with diabetes. She requires insulin every day. I knew my options were limited, and I decided to tough it out so I could look after my responsibilities.

For the last couple of years, I found it was increasingly difficult to go to work. It got to the point where I was regularly calling in sick and spending my days off in bed, just trying to rest enough so I could make it through the next week. Since leaving the casino, I now only need to use my puffer occasionally. I can breathe without any trouble when I wake up in the morning now, and my smoker's cough is just about gone.

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I personally know several people who, after working on the floor at Casino Rama, now have asthma and require puffers to help them breathe. Many of them are non-smokers. Some have quit working there because they have developed asthma since beginning work there. My case is not an isolated one. The second-hand smoke hazard affects all table games staff, bartenders and servers, the employees in the slots department and environmental services, and patrons.

Since my employment insurance case became publicized, I have been contacted by many casino workers from all over the province asking me to help them by telling my story at today's hearing.

I have requested to deal at tables specifically designated non-smoking, but the casino's management have always replied by saying that because I signed an acknowledgement when I was hired that I would be working in a smoking environment, they were not required to fill my request. A friend of mine who is also a dealer went so far as to obtain a note from his doctor stating he could only deal at a non-smoking table. He was told his request was not going to be accommodated.

Only in pit 9, the VIP pit, was a player's request for a non-smoking table ever granted. However, the non-smoking table would often be adjacent to smoking tables on either side, with second-hand smoke from the other tables drifting over to the non-smoking one.

Although there are non-smoking areas for slot machines and specifically designated non-smoking tables in each pit, there is, in effect, nowhere on the casino floor that is free from second-hand smoke. The entire casino, all 100,000 square feet of it, is in essence a designated smoking room where even non-smokers will light a cigar or cigarette and let it smoulder in the ashtray in front of them.

Ontario has three casinos located on First Nations land: Casino Rama near Orillia, Great Blue Heron near Port Perry, and the Golden Eagle charity casino near Kenora. All of these gaming facilities have been granted operating licences by the Alcohol and Gaming Commission of Ontario. As an employee of Casino Rama, I was also licensed by the AGCO to operate table games. Liquor at these facilities is served pursuant to Ontario

law. Gaming is also permitted under Ontario law. These facilities have plainclothes officers from the OPP on-site. These facilities also have AGCO officers on-site. Minors are not permitted to attend these facilities under Ontario law. All labour disputes involving these facilities are settled at the Ontario Labour Board. What I am describing is that these casinos are located on federal land but they accept provincial law as the status quo for their day-to-day operations.

The Vice-Chair: Excuse me, but your time is just about up. Could you wrap up in about 30 seconds?

Mr. Boshaw: Sure. The Ontario government can enforce this new law quite easily. Simply stated, section 88 of the federal Indian Act reads that general provincial laws are applicable to Indians. Licensing for motor vehicles and drivers' licences are an example of how Ontario applies section 88. I feel that by accepting licences through the AGCO and by following provincial labour laws, these casinos have demonstrated that the government of Ontario indeed has the jurisdiction to enforce this new law. If these gaming facilities do not comply with the new law, they should have their operating licences revoked.

Thank you very much.

The Vice-Chair: Thank you. Questions?

Ms. Shelley Martel (Nickel Belt): Thank you, Mr. Boshaw, for coming here today and for speaking not only on your own behalf but on behalf of the other employees at Casino Rama. I don't intend to speak for the government, but I think if it was as easy as you say to enforce this law on-reserve, then the three casinos you have mentioned—Blue Heron, Golden Eagle and Casino Rama—would also be included in the law. I think the reality that is facing the government is that it's not that easy, and it's probably not going to happen without some work with the chiefs and councils of the respective reserves.

I was at the press conference where the minister announced this piece of legislation a number of months ago and noted and had a chance to speak to Charles Fox, who was there, and he said that in his capacity, he was going to try to work with a number of First Nations, particularly the ones you've referenced, to really talk to them very clearly about the dangers of second-hand smoke and why it would be in the interest of First Nations to ensure that employees could work in a smoke-free environment. I trust he will do everything in his power to do that.

But I think the reality facing the committee and facing you at this moment is that there isn't a way, under provincial law, to make that happen; otherwise, I think the government would have included it. We're going to have to rely on the good offices of Charles Fox and other First Nations leaders to try and ensure that in these particular gaming establishments, the chief and band council can see the wisdom of why it would be a very good thing for all employees to work in a smoke-free environment. I think, at the end of the day, that's probably where we are.

Mr. Boshaw: Do you have a question?

Ms. Martel: No. I just wanted to tell you what I think the position of the committee is going to be. I think we all appreciate what you've had to say, and I think I can speak for the government to say that if there was a way for it to be done, it would have been done by the government. I can't imagine the government would have shut down smoking in Niagara, for example, but allowed it to continue on a First Nations property. I suspect that if he could have done it, that if there was a way his legal staff could have told him, he would have done it. I can't imagine he wants that discrepancy. If he does, the parliamentary assistant is going to tell me, but I can't imagine that's the case.

Mr. Boshaw: I see. I feel there is a way to force this upon all facilities that allow smoking, that you have a tool, and we ask you to use it.

Ms. Martel: Let me say this, then: You've made the suggestion, you've referenced the particular sections, and the committee at some point will start our deliberations next week. I would ask legal counsel to take a look at it and to come back to the committee at that time with their position as to whether or not what you've suggested to us can be applied. I'll give you that undertaking.

The Vice-Chair: If I could ask you, would you like a response from the parliamentary assistant?

Ms. Martel: Do you want to do it now?

Mr. O'Toole: Pardon me, Chair, if I may. I'd like a response from our legal research people, not some parliamentarian type. No disrespect—I mean that. This is fundamentally not just a question on the smoking issue. One of them is in my riding. The labour laws apply, and all these interpretations are decided by the court.

The Vice-Chair: Order. To get that from research will take some time. We've exhausted the time now, so I think we'll move on.

Mr. O'Toole: I want legal counsel's response.

Mr. Fonseca: Mr. Chair, we do have somebody from the ministry who can bring up some of the research that has been done around the unique aboriginal situation.

The Vice-Chair: I will get advice on that and get back to you.

Thank you, Mr. Boshaw.

CANADIAN CANCER SOCIETY, ONTARIO DIVISION

The Vice-Chair: The next presenter is the Canadian Cancer Society, Ontario division.

Thank you for being here today. You have 10 minutes to make your presentation, and there'll be five minutes for questions from the Liberal side.

Mr. Peter Goodhand: Thank you. My name is Peter Goodhand. I'm the CEO of the Canadian Cancer Society, Ontario division. I'm speaking on behalf of 70,000 volunteers. Two of those volunteers and one of our staff members are with me today.

First, let me begin by congratulating the government on the legacy they will be creating by the introduction of

Bill 164. The society recently released stats for 2005 indicating the cancer crisis we're facing over the next 20 years. As you're probably aware, tobacco is the cause of 30% of all cancers. Lung cancer is the leading cause of cancer mortality; 85% of that mortality is preventable. Mortality from lung cancer is still rising in women, wiping out all the gains we've made in mortality on other cancers for women.

We fully support protecting all workers in Ontario from the harmful effects of second-hand smoke. This includes getting rid of all DSRs. We know you are considering banning smoking in long-term facilities and patios. We encourage you to do so and protect all workers.

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We estimate that 300 Canadians die each year from second-hand smoke. To the strength of this evidence, it is worth noting that agencies ranging from the International Agency for Research on Cancer through to the US Surgeon General, Health Canada, the OMA and many others have all concluded that second-hand smoke is a serious cause of disease. To suggest otherwise is a position that at this point is only supported by the tobacco industry.

Evidence and cancer experts can only tell you part of the story. With me today is Irwin Title. Irwin had a laryngectomy due to exposure to second-hand smoke and now speaks through a voice box. Irwin's first wife smoked two packs a day for 47 years and passed away from lung cancer. Irwin never smoked, but he's a very real person, impacted very directly by second-hand smoke. Irwin is sitting to my right.

The society is strongly in favour of a 100% ban on all tobacco retail displays. In 2003, tobacco companies paid \$88 million to put these advertising displays in place—an \$11-million increase from the year before. Saskatchewan has a full ban in place. Nunavut and Manitoba are introducing legislation or have the legislation in place. We have great difficulty convincing our youth and our children that tobacco and smoking are dangerous when they see cigarettes displayed in the same way as hockey cards or bubble gum.

With our experience in operating Smokers' Helpline, we know that smoking is a very difficult addiction. Retail displays make recovery from that addiction even more difficult. They act as triggers for casual smokers and for people trying to quit smoking.

On behalf of the Canadian Cancer Society, I am today tabling a compilation of research on the impact of tobacco advertising and promotion. This is the evidence that we're tabling. Evidence that advertising and promotion, including point-of-purchase advertising, increases consumption is overwhelmingly persuasive. This evidence is seven volumes in total, including four volumes in 1988 and a three-volume recent update. Even a cursory review of the evidence from around the world emphasizes the importance of banning all product displays and other promotion at point of purchase.

I've been involved in the war on cancer in one way or another for 18 years. Nothing I have done or am likely to do in the next 18 years will be as important as the legislation you are reviewing. I urge you to strengthen the legislation. Make it something that you as legislators can be proud of and something that will protect future generations of Ontarians. I can tell you that the Ontario Cancer Society will not go away on this issue. We will be relentless. We will keep going until this issue is fully resolved.

On the day of the first reading of the legislation, Bill 164, the society marked with deep sadness the passing of one of our most tireless volunteers, Don Dusenbury. If Don were here today, he would tell you first-hand the importance of this legislation in protecting our children and workers. Don, unfortunately, cannot be with us today, but his legacy as a fighter in the war on cancer has passed to a new generation of Ontarians.

It gives me great pleasure to introduce one of that next generation of cancer fighters to you today. I'm going to ask Kristen Edwards to speak to you from her perspective as a teenager.

Ms. Kristen Edwards: Good afternoon. Smoking continues to be a central issue in society, especially among teens. Although the dangers of smoking are persistently emphasized, displaying cigarettes in full view in stores seems to send a contradictory message. The stores that sell cigarettes are the same stores that sell healthy household items like bread and milk, consequently making smoking seem like no big deal and an acceptable part of everyday life. Having a potentially lethal and highly addictive substance being displayed and sold among the beneficial items that our bodies require doesn't make sense.

Cigarette companies thrive on advertisements to communicate their product. By eliminating the exposure of cigarettes in stores, we remove the crucial and final step of the advertising process. People first learn about cigarettes through some medium such as movies or friends, and seeing the product on store shelves stimulates them to make the purchase. What is out of sight, however, is out of mind.

Removing cigarettes from displays is especially beneficial to those who are trying to quit smoking. Not having cigarettes visually present while they are cashing out in an area where impulse buying is at its highest will make it easier for them to quit.

All of what I've said applies to anyone, but it especially applies to those my age. I've already seen the effects that smoking can have on teenagers because, unfortunately, a lot of my friends smoke. One of my friends began using smoking as a way to deal with his stress and anger. Fortunately, he's quit smoking, but he now has anger problems because he doesn't know how to deal with his issues in a normal and healthy way. Another friend of mine used to be a competitive swimmer, but when he started getting chest pains due to smoking, he could no longer compete.

I think the most discouraging part of teens smoking, however, is that some are already so addicted that they

don't care about the cancers they can get and they don't care about what chemicals are in these cigarettes. Many of them will even joke about the chemicals that are in the cigarettes.

We always talk about finding a cure for cancer, and I don't think that a single person in this room hasn't been affected by cancer in some sort of way, but 30% of all cancers are tobacco-related. By removing cigarette displays from stores, we move toward eliminating the use of tobacco products and, thus, tobacco-related cancers. We have a cure for 30% of all cancers; we just need to put it in effect.

Mr. Goodhand: Irwin, did you want to say anything to the committee?

Mr. Irwin Title: Yes. One of the most frustrating things I've ever experienced in my life has been when I couldn't speak. If you want to see what that's like, when you go home today, don't speak to anybody for 24 hours. It still blows my mind how these people can put their passion for profit ahead of their own health, the health of their families and the health of people around them.

The Vice-Chair: You have two minutes more. Is there any more presentation?

Mr. Goodhand: As I was reviewing Irwin's story and realizing the direct impact on him as an individual, I was also struck by the fact that as Irwin lost his wife to cancer, I also lost my wife to cancer after a 12-year battle. If there is anything I could draw from that experience, one saving thought, it's that her cancer was not preventable and it wasn't really treatable by known technology, so we faced that battle alone.

As I've taken on this role at the Canadian Cancer Society, it came as news to me that 50% of all cancers are preventable. I can only imagine what I would have gone through if I now realized that her own cancer had been preventable. It wasn't, but you have an opportunity in front of you today to strengthen this legislation. Make it as strong or stronger than the legislation we see in Nunavut, Manitoba and Saskatchewan. Make it the strongest legislation you can, and help do more to fight cancer than we can by raising dollars for research. You have that opportunity in front of you, and I would just ask you to take advantage of it.

The Vice-Chair: Thank you for the presentation. We'll go to Mr. McMeekin of the Liberals for the questions.

Mr. McMeekin: I just want to say, I give thanks for you every single day. I'm a former president of one of the lung associations, but more important than that, sadly, we got to know about the Canadian Cancer Society twice: once when my dad died of lung cancer and this past summer when my sister died of lung cancer.

My dad was 16, served overseas, lied about his age to go fight and got all those cigarettes sent over to him. I've often thought that the veterans have a good class action suit against the government. Notwithstanding that, I just want to tell you a quick story, because you twigged something. I wasn't going to speak, but I want to.

I almost didn't run when the opportunity came up, because my dad was very sick. I went to visit him and

spoke to him about that, and he lectured me. He said, "You know, Ted, your mom and I didn't raise you up from a young pup just to wimp out because I'm sick. We'll get through this somehow. You go and get elected and make a difference." Somehow, he miraculously got out of his bed on election night. Three weeks later, he was dead. I remember that when I come into this place.

I swear to you, we're going to do everything we can in this government to make sure that we make a difference, so that the young people out there, who you spoke so eloquently about, aren't having the kinds of terrible experiences that far too many of us have been through.

Thank you for the work you do. God bless you. Believe it or not, I've got a lot of people in my riding who still send me e-mails saying smoking is good for you. This is the kind of book you can't pick up once you put it down, but I may find that there's some use for this other than being a doorstop.

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The Vice-Chair: There are four more minutes.

Mr. Fonseca: I'd like to thank the Canadian Cancer Society of Ontario. Thank you so much for all this evidence, because I know that the official opposition has often asked for the evidence and has refuted that people die due to second-hand smoke or smoking. To see all this evidence here is unbelievable, so I know Mr. Barrett will have some good reading in front of him for the next while. Also, to see all of you here, especially Kristen and Irwin, from the two ends of the spectrum, from our youth to our seniors.

This piece of legislation is to be comprehensive and integrated, to make sure it protects all Ontarians. It really has a number of core thrusts to it around prevention, protection and enforcement. We have embarked on a very strong and aggressive youth strategy. The Minister of Health and Long-Term Care, George Smitherman, wanted to make sure that it was one that came from the youth. It was a campaign that was created by youth, for youth. I know I didn't get it at the beginning when I saw those stupid.ca commercials, the Web site and others, but the youth said that was what would impact them and would make a difference. So it was great to see.

Irwin, for your heartfelt words—we've heard from so many others in other cities that we've been to. Heather Crowe was here and presented, and we just heard from Robert Boshaw. It's not easy to come in here and spill your personal experiences in front of this room and everybody, but it is so important and will mean so much in helping this legislation move forward and making sure that it is the strongest piece of legislation that we can put forward toward protecting all Ontarians.

So I have to thank all of you. If there are any final comments that you would like to make, please say so.

Mr. Goodhand: Just to say that your thanks and appreciation are very much appreciated by us. It would be even more appreciated if you go that final step and introduce a complete ban on power walls. Just do it.

The Vice-Chair: The time is up. Thank you for your presentation.

KAREN ANDERSON

The Vice-Chair: The next presentation is from Karen Anderson.

You have 10 minutes for your presentation, and there will be five minutes of questions after that by the official opposition. When you start, please give your name for the purposes of Hansard.

Ms. Karen Anderson: My name is Karen Anderson, and I'm here today in support of Bill 164. I'm grateful to have this opportunity to speak about something that literally touched my heart and my lungs, and I'll explain that shortly. I've travelled here today from Bowmanville on behalf of myself but with thoughts about thousands of people like me—co-workers and others who are forced to work in a smoking environment.

I'm a nursing student, and I'll graduate next year. I'm so excited. I had a five-year plan, and I'm almost finished. However, I'm also a single mother of two wonderful, beautiful children and, in order to put myself through school and support those children at the same time, I found it necessary to work in the bar industry. I was continuously exposed to second-hand smoke in order to do and to keep my job. As a consequence of this exposure, I developed irreversible respiratory and cardiac problems. I've been treated by my doctor with inhalers and nitroglycerine. I've had numerous diagnostic tests and I still continue with those today. I have pain that continues even now.

I've said that I was speaking here on behalf of not only myself but also my co-workers. You see, I understand and I've heard the fear that's present in people about losing their job should they dare to complain, so we go on working in second-hand smoke. But the truth is, when you have to pay the bills, when you're a single mother or you have a family or you want to pursue a career, you keep your mouth shut. You're afraid to lose your job. You are forced to breathe in the poisons. You sign for it.

The only way to avoid this insidious situation is to ban smoking in the workplace, period. Giving workers the legal right to refuse or to enter smoking rooms to care for the people or to serve the people to get their paycheque is a novel idea, but it doesn't work. I've worked in the industry for many, many years, so I speak from experience. There is only one solution. Again, I say: totally ban smoking in the workplace, with no exceptions—none.

On behalf of the workers like myself, I ask that you take this step so that no other worker will suffer the health consequences that I've had to endure, and still do to this day. Thank you for allowing me to speak.

The Vice-Chair: Thank you for your presentation. Mr. Barrett?

Mr. Barrett: Thank you, Ms. Anderson, for presenting this afternoon. We're into our third day now of hearing testimony. I think it was on the first day that Mr. Perley, who was here today, indicated that in British Columbia they do allow designated smoking rooms under their Workers' Compensation Board rules. In that case,

workers cannot spend more than 20% of their shift in these designated smoking rooms. I understand that that came about as the result of a lawsuit from the hospitality industry after British Columbia passed legislation that I'm assuming would be fairly similar to this legislation. Do you foresee anything like that coming down the road? In talking with your fellow workers, are there any views at all on properly ventilated designated smoking rooms that eliminate second-hand smoke?

Ms. Anderson: I'm sensitive to the idea of properly ventilated smoking rooms. I understand that people like to smoke at bingo; I'm not against that. As a matter of fact, in my opinion, I wouldn't mind it if people smoked at all, as long as they didn't exhale. But then, I've got to deal with the stuff that's coming off the lit cigarette or the cigar; I forgot about that.

There's one more thing about the smoking rooms that I need to say. Was it Mr. O'Toole who mentioned negative pressure?

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Mr. Barrett: I mentioned negative pressure.

Ms. Anderson: The fans?

Mr. Barrett: Yes.

Ms. Anderson: Often, the fans aren't on. I'm sorry, but that's the truth.

Mr. Barrett: Your work environment—were you in a designated smoking room, or was there any room at all?

Ms. Anderson: I have been in many, unfortunately.

Mr. Barrett: The fans weren't turned on, eh?

Ms. Anderson: I said that often the fans are not on.

Mr. Barrett: What municipality would that be in?

Ms. Anderson: What municipality?

Mr. Barrett: I don't need to know the name of the business or anything. I just wondered, was it here in Toronto? Some municipalities have bylaws, certain restrictions and—

Ms. Anderson: Yes, I agree that they do.

Mr. McMeekin: Was it Tillsonburg?

Ms. Anderson: No, it wasn't Tillsonburg.

Mr. Barrett: Why would you say Tillsonburg?

Mr. McMeekin: Because you're concerned about your people in Tillsonburg.

Mr. Barrett: Tillsonburg is not in my riding.

Ms. Anderson: The next time I could let you know.

Mr. Barrett: I don't need to know the name of the restaurant or the bar.

Interjection.

Mr. Barrett: I'm sorry, I just want to get it in quickly.

Being in the workplace, would municipal inspectors come in and make sure the fans are working? I'm sure you'd have liquor inspectors.

Ms. Anderson: I'm sure that they would, but there's a time factor. If a citizen makes a call today at 4 o'clock, at 4:05 is someone from the bylaw going to be rushing in? It's the time.

Mr. Barrett: They don't do regular inspections, eh?

Ms. Anderson: I don't know. I'm a citizen, not a politician.

Mr. Barrett: I'm assuming it's not in Tillsonburg. Again, a bylaw is not worth anything if it's not enforced, and provincial legislation isn't worth the paper it's written on if it's not enforced, either. That's what I'm trying to get at.

Ms. Anderson: Yes, it's unfortunate. But then there are the doors and there are the openings. It's unfortunate.

Mr. Barrett: There's no inspection, eh?

Ms. Anderson: That's my experience.

The Vice-Chair: That's the time for questions. Thank you very much for your presentation.

Applause.

The Vice-Chair: I'd just like to remind the audience that there's no clapping or cheering or anything like that. We don't allow that in this room, just for the future.

MELODIE TILSON

The Vice-Chair: Melodie Tilson.

You have 10 minutes for your presentation. State your name when you start.

Ms. Melodie Tilson: Thank you, Mr. McNeely and members of the committee. I'm just waiting for the laptop to get hooked up here. While I'm waiting, I'll give you a bit of my background.

I've been working in the field of tobacco control for the past 15 years. For the last 10, I've been a health policy consultant, and my specialty has been tobacco control issues. In this capacity, I have researched and written for clients three different papers on banning tobacco product displays, which is what I'm going to focus on today. I'm going to give you the highlights of that research.

The clerk is handing out a copy of my slides as well as a copy of a very detailed paper on this issue that I wrote for the Canadian Cancer Society, Nova Scotia division, and Smoke-Free Nova Scotia.

Before I begin looking at the evidence, I think it's important that we put this issue in context. Tobacco is the only legal product that kills when used exactly as intended by the manufacturer. In fact, tobacco products kill 47,000 Canadians every year. However, we can't ban tobacco sales because of the simple fact that some five million Canadians are addicted. But what governments can do, and have an ethical and moral imperative to do, is everything in their power to control the promotion of this product to prevent new people, primarily young people, from being recruited by the tobacco industry.

There are two things that are very obvious from this photograph of a typical power wall. One is that this scene is clearly not congruent with a product that's responsible for the deaths of some 47,000 people every year. Secondly, power walls display cigarettes in quantities far greater than what is necessary to supply consumers' needs. This is an important point, because what these power walls do is contribute to the belief that's widespread among youth that most people smoke. This is significant, because research clearly shows that young

people are much more likely to begin smoking themselves if they believe that that behaviour is the norm.

Marketers typically focus on what are called the four Ps of marketing: product, price, place and promotion. Point of purchase is uniquely important because it brings together in one place the product, the place itself—the place of distribution and sale—and promotion. Point of purchase, in fact, is where the shopper can be transformed into the buyer, given the right inducements. Merchandising is all about providing those kinds of inducements.

What is merchandising? I think it's always important, wherever possible, to look at the tobacco industry's own words when trying to assess just what impact the tobacco industry has on the behaviour of smokers and potential smokers. Most of what I'm going to present to you today comes from internal tobacco company documents that have been made public, primarily through various litigation in the US. This is from a British American Tobacco document that is undated:

"What is merchandising?

"All activities that feature your product(s) at the point of purchase. It is the final step in ensuring that the consumer sees your product and is tempted to buy it.

"Good merchandising is about the impact your product has on the consumer. It is about using the product itself to stimulate the consumer to buy, it is about reminding the consumer of your mass media campaigns at the actual point of purchase, when he/she is faced with the buying decision."

The document goes on:

"How important is merchandising?

"Very, very, very important.

"Merchandising is the key to growing and developing sales volume within every distribution outlet.

"The more facings you can devote to a brand, the more effectively it will be portrayed to the consumer. It will be more visible on the shelf and have more chance of grabbing the attention of the consumer and of being purchased."

In other words, prominent displays lead to increased sales. More information from the documents that provide evidence of just how important retail displays are to the tobacco company. They've gone to great lengths to research the behaviour of the consumer at the point of sale:

"It is hoped that the results from these experiments ... will be put together to form a handbook providing guidelines on maximizing the potential of the point-of-sale display."

These experiments are designed to analyze all of the variables that may affect visual scanning behaviour—"what the consumer does with his or her eyes in the outlet. Examples: size of point-of-sale display, number of shelves on the unit, number and type of pricing information and so on.

One experiment, for example, makes use of an eye-gaze monitor to make the measurements and infrared technology and computerized digitation to analyze the results. Tobacco companies don't leave anything up to

chance. They research everything about the behaviour of a potential customer in order to turn that person into an actual consumer of tobacco products.

It may be counterintuitive, but it is a fact that 60% of tobacco purchases are impulse buys, despite the fact that we're dealing with an addictive product. One of the main reasons for this is that about a quarter of the tobacco market in Canada right now is made up of non-daily smokers: occasional smokers, people who aren't yet fully addicted, such as youth, who are just experimenting. Research that was published in the peer review journal *Tobacco Control* found that point-of-purchase advertising and displays increase average tobacco sales by 12% to 28%.

How point of sale works is as an extension of tobacco companies' other promotional and advertising tools: "Point of sale is of vital importance because it is a true extension of brand advertising and provides a continuous communication of brand advertising at the point of sale. The role of advertising and packaging is to get the consumer leaning toward our product; the role of promotion is to pull her over—to clinch the sale."

We know from all kinds of documents that as other avenues of promotion, such as traditional advertising, have become restricted, tobacco companies have relied more heavily on the point of sale. "Under conditions of total ban, pack designs ... have enormous importance.... An objective should be to enable packs, by themselves, to convey the total product message."

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If you will notice the date on these two documents, they go back over 20 years. Some 20 years ago and then some, the tobacco companies predicted they would be faced with an environment of advertising bans and restrictions on other forms of promotion. They knew and researched from then on how they could make the point of sale, do what was needed to encourage people to buy their product, and ultimately to get to the point where the pack itself would promote the product for them.

In the United States, when billboards were banned, total tobacco company marketing expenditures increased to the point that 82% of the marketing budget went to point-of-sale promotions. We have a similar situation in Canada where companies are now spending upwards of \$88 million a year on retail promotion. At its height, they spent about \$60 million on sponsorships.

We also know from general marketing research that retail marketing is highly effective at reaching kids. Some 75% of teens shop at convenience stores at least once a week. Teens are more likely than adults to be influenced by convenience store promotions, and more than half of adolescents say they're influenced by in-store displays.

To sum up then, high-visibility store displays reinforce previously seen promotions. They promote tobacco products when other forms of advertising are no longer available. They normalize tobacco products by association. They undermine health warning messages and other educational endeavours. They exaggerate the popularity of their product and stimulate consumers to buy.

What we can expect from a total ban is that an advertising ban will actually do what we know from the research that it can do, and that is to reduce tobacco consumption, but advertising bans only reduce consumption when there's a total ban, and right now we have a huge loophole in this province with the power walls, basically in every convenience store, gas station and many supermarkets.

The Vice-Chair: You have 30 more seconds.

Ms. Tilson: Then I'm going to sum up.

Two photos here: This is a typical retail outlet in Saskatchewan, where you can see tobacco products—well, you can't see tobacco products; they're behind the cupboard doors. This is Iceland, where they've had a ban in effect since 2001.

I'd like to urge the committee to strengthen the legislation and remove the loophole that presently provides that regulations could allow for tobacco product displays. Only then will the legislation fulfill its potential and the Liberal government's promise of protecting Ontario youth from inducements to smoke, and protecting Ontario adults who want to quit from visual stimulus that keeps them in the tobacco market.

The Vice-Chair: Thank you for the presentation. Ms. Martel, you have the questioning.

Ms. Martel: Thank you, Ms. Tilson, for being here today and for your research. Based on the research you've done, what is the attraction around power walls that seems to be so much more influential for you, that makes it urgent to ban power walls?

Ms. Tilson: The main reason is that in this country we've been really successful at restricting or banning most other forms of promotion. If you look at the tobacco company research, they start with traditional tobacco advertising, the kind we saw in magazines here some 20 years ago. When that form was banned, they moved to sponsorship advertisements: the Player's racing, the du Maurier jazz, *Matinée* fashion. As of October 2003, that ban came into effect. There's no association between that lifestyle and the product through sponsorships.

So how can tobacco companies get the message out, get the brand in front of consumers, and also convey to consumers that this is something that's normal behaviour that everybody does? How they do it is via the power walls.

Ms. Martel: How come it seems to have such a greater influence on youth? A couple of us had this conversation before we started our hearings last week. We said to each other, "Have you noticed a power wall?" Honestly, I was sitting there thinking, do I ever really notice it? I asked a similar question to one of the youth presenters who came forward who said, "Well, youth want to try different things." There's a gap there.

I know I'm older, and I'm not trying to undermine you or anything. I'm just trying to get—it's clearly important, and youth are telling us that. What I'm wondering is, why is it so much more attractive to youth? Why do they notice a power wall when I would go into a convenience store and wouldn't think twice?

Ms. Tilson: There's a really simple answer, and that is the fact that at least 85% of starting smokers are 18 and younger. So the tobacco companies know that if they're going to convince someone to start smoking, they have to focus on the youth. It's the adolescents who are thinking about starting to smoke, who are vulnerable to that kind of promotion. Once an adult has reached his or her 20s, they're not vulnerable any more, so we don't notice it.

Ms. Martel: Because I'm not thinking about it as an option.

Ms. Tilson: We've already decided not to smoke. It's virtually invisible to us.

Ms. Martel: I'm not thinking of that as an option, so it's not—

Ms. Tilson: Exactly.

Ms. Martel: You had the slide on Saskatchewan. When that ban went into effect, what happened in convenience stores where there had been power walls? Do you have any information about that? What was it replaced by? What happened with respect to small business owners, for example? I'm thinking more the Korean businessmen's association than I am of some other convenience stores or chains. That is an issue that we have also been talking about.

Ms. Tilson: I'm very familiar with the situation in Saskatchewan. I've done a lot of work with the coalition there, including around this legislation. The law has been nicknamed in the media "the shower curtain law." That is a nickname that the industry came up with. There is in fact no evidence that shower curtains have been used, although some retailers did use curtains. Most of them have installed cupboards—oh, it's not showing anymore—

Ms. Martel: It's OK. I have it here.

Ms. Tilson: —as you can see in the picture. In talking to health inspectors, Health Canada inspectors who are commissioned by, or who work on behalf of, Sask Health, no evidence whatsoever, and no media reports whatsoever that there's been a negative economic impact on convenience store owners.

Ms. Martel: So was the power wall replaced by other products, essentially? Is that what happened?

Ms. Tilson: Right now, no. In fact, they've mostly just covered them up. But if you noticed in the Iceland example, they've primarily gone to under-the-counter drawers, which leaves that huge and valuable retail space behind the cashier open for other products. In the big document that you've been given, there is research from the United States that there are lots of other product manufacturers that would absolutely love to have that space and would be willing to pay for it the way tobacco companies do now.

The Vice-Chair: Thank you very much, Ms. Tilson. Your time is up.

TORONTO PUBLIC HEALTH

The Vice-Chair: We'll now have Toronto Public Health. There's a room down the hall for overflow if anyone wants a seat. You have 10 minutes to make your

presentation, and there will be five minutes for questions that will be to the Liberal Party.

Dr. David McKeown: Thank you very much, and good afternoon. My name is David McKeown. I'm the medical officer of health for the city of Toronto. I'm joined by Councillor John Filion, who is the chair of the board of health for the city of Toronto.

Thank you for the opportunity to be here today to speak about Bill 164. Toronto Public Health supports the creation of the smoke-free Ontario act, and I'd like to congratulate the Minister of Health, the Premier and this government for taking a very important step to improve the health of Ontarians. However, I do want to talk to you about power walls. I'm very concerned about point-of-sale tobacco advertising, commonly referred to as power walls, and I'm going to urge the government to eliminate all point-of-sale promotional tobacco products. More specifically, I recommend that you remove the phrase "except in accordance with the regulations" from section 3.1 of the current bill.

As you probably have heard many times in these hearings, tobacco products lead to the death of nearly half of their long-term users, and almost all those long-term users begin to smoke in their teens. In fact, the rate of smoking in Ontario increases seven-fold between grade 7 and grade 12, as young people learn about tobacco products, experiment with them, and many of them ultimately get hooked. Power wall displays send a message to young children that tobacco products are attractive, desirable and much more popular than they actually are. From the size of the displays, you would think that many more people smoke than actually do. The displays are usually situated immediately beside other products that kids are interested in: candy, gum, hockey cards and the like. So this is clearly a form of advertising that does reach potential new customers for tobacco companies: teens and pre-teens. It serves to undermine, through a mixed message, the efforts of parents and health professionals to warn young people about the hazards of smoking.

Point-of-sale promotions of tobacco products also stimulate impulse purchases, particularly among ex-smokers, occasional smokers and teenage experimenters. The promotions challenge the resolve of ex-smokers to remain smoke-free and make it more difficult for those smokers who are trying to quit in the interests of their health.

1700

The tobacco industry will, of course, oppose any ban on point-of-sale displays. It's one of the few avenues for promotion that remain for tobacco products. They will likely claim that bans will cause retailers to suffer significant economic loss. While I am sympathetic to small business owners who at present derive part of their income from tobacco advertising, I would remind you that the economic costs of smoking to families, to taxpayers and to our health care system are much larger.

In closing, I'd like to urge you to amend Bill 164 to not allow point-of-sale tobacco displays to be used to hook young Ontarians into a lifetime of smoking.

I'd like to now introduce Councillor John Filion.

Mr. John Filion: Thank you. I'd also like to thank the government for bringing forward this legislation. It has been a long time coming, and it's great to see it.

From my own personal perspective, it has been about 10 years now that we've been trying to bring in legislation. I was chair of the board of health in North York, pre-amalgamation, and it was extremely difficult to do it then. In fact, we were the first municipality in the Toronto area to try to bring in no-smoking legislation, and we stumbled, as the city of Toronto did that year, because we didn't have the other municipalities on board. It is very difficult to do this when it isn't province-wide. Even with our current legislation, which we brought in in 1999, we were somewhat ahead of the rest of the province and had to make some compromises, which we're still trying to correct. A hodgepodge of legislation across the province really does not protect the residents of this province, so I really welcome the province-wide legislation and think that's really critical to protecting the health of the public.

Just a couple of comments based on our experience.

DSRs: I know Councillor Jenkins was here. You saw his presentation, which illustrates better than I could with words the problems with the DSRs. It simply has not worked out. We put it in the legislation in Toronto because we did that legislation in 1999, and at that time it was really necessary to make some compromises in order to get any legislation at all. In the last six years, of course, public policy has advanced considerably. We now, in the city of Toronto, are lagging behind other municipalities in the province with regard to our smoking legislation. We were on the verge of fixing that ourselves but think it is more appropriate to have that done province-wide, as is being recommended. The elimination of DSRs is really critical, for the reasons that Councillor Jenkins illustrated, with the difficulty in enforcing, the costs of enforcement, and the lack of protection to the employees.

It has also been our experience in Toronto that if there is anything that anyone could even perceive as a loophole, there are members of the restaurant and bar industry that are clever enough to exploit it, so we would really urge you to be very careful about tightening up anything that could be considered a loophole. In Toronto, we have found many business operators trying to get around the bylaw by operating as private clubs or hosting private parties, so we are quite pleased to see that Bill 164 includes all workplaces and public places in the smoke-free provisions, exempting only those workplaces that are private dwellings. However, we do encourage you to ensure that volunteers and self-employed persons are also included in the definition of "employee" and that the wording in the act and regulation cannot be subject to misinterpretation.

We also suggest that the definition for "enclosed public place" in subsection 3(1) be worded in such a way to include areas that may not have a roof but are so constructed as to restrict air circulation and not allow

second-hand smoke to easily escape. In Toronto we've seen many businesses be very creative in enclosing outdoor patios and trying to look at the wording of the bylaw: "OK, let's try it this way. Let's try it that way." It really took a lot of our resources to go around and shut them down. In the meantime, a lot of time and money were wasted and people's health put at risk. Just saying that it can't have a roof doesn't do it. People can draw all kinds of strange shapes. You'll be able to draw some that have a very narrow opening at the top; technically it has no roof, but still the structure is preventing the smoke from dispersing. Those kinds of situations do cause a hazard to the health of the people who are in them, so we hope you'll close up any loopholes or perceived loopholes there.

In addition, we suggest that in paragraph 6 of subsection 9(2), the word "reserved" be removed so that all seating areas within a sports arena or entertainment venue are smoke-free, even when seating is by general admission. I doubt that the legislation intended to make that distinction between the SkyDome being used for a Blue Jays game or some event that's general admission, but someone might try to interpret it that way because of the use of the word "reserved."

The Vice-Chair: You have 30 seconds left.

Mr. Filion: OK, thank you.

The last point would be the scientific and research facilities for testing. A few years ago, a large cigarette manufacturer was running a "testing facility," and their testing facility consisted of having their employees smoking cigarettes at their desks. So please be very clear in the legislation that if that exemption is allowed, that it only be in a separately enclosed area and that it only be for scientific research, not for general social product testing.

The Vice-Chair: Thank you for your presentation. We'll go to questions.

Mr. Fonseca: I'd like to thank Toronto public health and Dr. McKeown and Councillor Filion for your fine presentation.

One of the main things that the minister, on embarking on this piece of legislation, has said is that this piece of legislation was not to be characterized by exemption. Through your experiences, we know the problems that can cause, in terms of the domino effect and how all others are affected.

There are about 700 designated smoking rooms in the province. There are about 51,000 hospitality establishments in the province. The establishments that have DSRs actually make up less than 1% of all establishments out there, and many concessions have been made for them. Half of those reside in the city of Toronto. How do you feel about this piece of legislation and getting rid of those DSRs, as this piece of legislation would, on May 31, 2006?

Mr. Filion: We totally support that. In fact, if this legislation didn't do that, we would be attempting to amend the city of Toronto bylaw to eliminate DSRs in Toronto.

Mr. Fonseca: I know the city of Toronto is out of AMO at the present moment. I just wanted to read out the AMO position and see if the city would follow suit and feel that this would be your position on Bill 164.

"AMO calls on the province to implement a uniform and consistent provincial smoking policy with minimum standards for public and workplaces. This would provide for a level playing field for businesses in all municipalities and would also improve protection from second-hand smoke, reduce the high costs related to health care and protect workers within their workplaces."

Is that the same position—

Mr. Filion: I'm speaking for the board of health rather than for the city, because we haven't gone to city council on this, but I expect that city council would endorse such a position.

Mr. Fonseca: You mentioned the number of resources that you've invested in terms of enforcement for this. I know that for many that have DSRs, enforcement is not always easy, because many people tend to smoke in the later hours, maybe at 12 midnight or 1 in the morning. How did the city work its enforcement strategy around what are not the traditional, 9-to-5 types of establishment that have DSRs?

Dr. McKeown: We have put in place enforcement outside of normal office hours, because it's essential for the reasons you describe. The burden of enforcement is much greater for legislation that has a DSR in it, not just in terms of times of enforcement and whether people are smoking where they should be, but the work involved in deciding whether a DSR is in compliance with the legislation. It is simpler for the customer of an entertainment facility, for the operator and for the regulator if it's a straightforward ban.

1710

Mr. Fonseca: Chair, I'm going to be sharing my time. My colleague from Huron—Bruce has one question.

The Vice-Chair: Mrs. Mitchell, you can go ahead. You have about two minutes.

Mrs. Mitchell: My questions will be very short. Earlier in the day we had a presentation from a restaurant from the Yorkville area, and there seemed to be a bit of confusion about when the sunset was for the DSR, so I look for clarification.

Mr. Filion: At the moment, there is no sunset.

Mrs. Mitchell: That might have been the confusion, then.

Mr. Filion: Yes. The board of health has indicated that, if this legislation did not go through for any reason, we would be going into council to eliminate DSRs in the city of Toronto, but we have not done so. Our current legislation still allows DSRs, unfortunately.

Mrs. Mitchell: I have another quick question. We also had another council member from Toronto: Frances—my apologies; I don't remember her last name.

Mr. Filion: Frances Nunziata, perhaps.

Mrs. Mitchell: Yes. The position of the group she was with was that Legions be dealt with as private clubs and, therefore, an exclusion from the regulations. As the

board of health is here, and the chair, was that supported and endorsed by the board of health?

Mr. Filion: I don't believe we would support that. I think that Legion members deserve to have their health protected the same as everyone else.

The Vice-Chair: That's all the time we have left. Thank you for the presentation.

ROYAL CANADIAN LEGION, ONTARIO COMMAND

The Vice-Chair: We'll now hear from the Royal Canadian Legion, Ontario command, if you'd come to the front.

You have 10 minutes to make your presentation. Please state your name for the purpose of recording Hansard. The questions will be by the official opposition.

Mr. David Adamson: My name is David Adamson. I'm the zone D-5 commander of Toronto.

Thank you for allowing me to address this committee today on behalf of the 168,352 members of the Royal Canadian Legion, Ontario command, concerning the no-smoking bylaw that is being considered province-wide.

As some of you may know, we have a tradition in the Legions as to how we officially open up our meetings. We start off by singing our national anthem and then have a few words of encouragement and wisdom from our chaplain. This is followed by the act of a remembrance which pays homage to those who paid the supreme sacrifice in ensuring the freedoms we enjoy today and for those who passed on since we last gathered. I would like to recite for you the words of remembrance:

They shall grow not old, as we that are left grow old.

Age shall not weary them, nor the years condemn.

At the going down of the sun and in the morning

We will remember them.

The Legion is a unique organization in that the men and women who served Canada call the 428 branches their meeting place and a location to continue their comradeship with their friends and fellow comrades. This tradition has continued for many years and we'd like to see it continue for the remaining years of our veterans. Given the average age of 80 years, how much longer can that be?

I should note for you that our federal government of the day provided cigarettes to our veterans as a gift and now it is being used against them and frowned upon. My, how things have changed.

Our Legion branches are for members and guests, and yes, they do rent to organizations for meetings; most times they are not charged a rental fee.

What are we asking for? We are asking that smoking be allowed in a portion of the members' lounge of the branches.

For your interest and information, I would like to provide some background details on the history of the Legion. The Royal Canadian Legion was officially formed in 1925 from a combination of other veteran

groups, including the Great War Veterans Association, which had been formed after World War I to help the many returned servicemen with the problems they encountered on returning home, including pensions, housing, jobs and so on.

The Royal Canadian Legion was also established to provide a place where like-minded persons could gather and enjoy each other's company. This has not changed to this day. The individual may be a veteran of World War I, World War II, Korea, the Gulf, Bosnia, Afghanistan or any other place where our servicemen and -women have been deployed. They are still protecting our way of life and should be respected and honoured as such.

Our commitment to honour those who have fought for our freedom to give us the life we enjoy today, a life which permits choice of religion and speech and so many other freedoms that are denied to many, is not taken lightly.

The Legion, as it came to be known, was federally incorporated, and has continued to this day as an organization with three main goals, in order of priority: (1) to ensure the care and comfort of our veterans, with adequate pensions, housing and medical care; (2) to promote the theme of remembrance so that their sacrifices will never be forgotten; and (3) to support our communities through our charitable foundation and bursary programs, our senior programs and our youth education programs, which include public speaking, track and field and many other youth-oriented programs.

A listing of our past years' accomplishments is enclosed with the submission for your perusal.

As previously mentioned, the Legion in Ontario consists of 428 branches and a membership of some 168,000 individuals. I mention this to elaborate on and emphasize the fact that we are a member-only, private organization that meets all the necessary criteria to be considered as such, through (1) the act to incorporate the Royal Canadian Legion; (2) the requirement for our members to pay annual membership dues; (3) the maintenance of membership records; (4) the bylaws of our organization, which provide for elected officers at all levels; (5) our status as a non-profit organization under the Income Tax Act; and (6) restricting access to our clubrooms that are not open to the general public.

We ask this committee to consider our request that a separately confined and ventilated smoking area be allowed in our Legions. We are aware that many of our branches will find it difficult to comply with this because of the cost involved, but we request that they be given the choice. As already stated, we consider ourselves a private, members-only organization, and this freedom of choice is requested to protect the rights of all, smokers and non-smokers alike. This area will not infringe on employees' right to a smoke-free environment, and would be maintained by volunteers. Public access would not be permitted.

With your indulgence, I would like to relate some concerns from a more personal point of view. I currently hold the position of zone commander, which entails the

responsibility of overseeing a number of Legion branches within my designated geographical area in Toronto. In addition, I am a member of the board of directors of the Tony Stacey Centre for Veterans Care, a facility located in the eastern part of Toronto. Adjacent to this facility is the Royal Canadian Legion, Highland Creek branch 258. Some of you may be familiar with branch 258, as they recently hosted the annual dinner for over 425 World War I and World War II veterans on April 17, 2005. First World War veteran Clark Laking, 106 years young, was in attendance, one of seven remaining World War I veterans in Canada. It is but a short walk for the residents of the Tony Stacey Centre for Veterans Care to get to branch 258. They enjoy coming down to branch 258 to have a smoke and a pint or two, listen to the entertainment and have a relaxing conversation with their friends. If this smoking legislation is passed and includes the Legion branches, not only will it have a negative financial impact on them, but the veterans will have to stand outside in the cold of the winter or the heat of the summer each and every time they want to have a smoke. In my opinion, our veterans have already made their sacrifices and should not be called upon to make any more through this smoking bylaw.

I thank you for allowing me to make this presentation on behalf of the Royal Canadian Legion as we celebrate, in this year 2005, the year of the veteran, and trust that every consideration will be given in exempting the Royal Canadian Legion from the smoking bylaw legislation.

I'd be pleased to answer any questions you may have. If I don't have the answer, I will get a written response back to you as quickly as possible.

1720

The Vice-Chair: Thank you, Mr. Adamson. The questioner will be Mr. O'Toole.

Mr. O'Toole: Thank you very much for the presentation, Zone Commander. I'm sure all members here want to commend the work that the Legions do, certainly as it represents the space, if you will, of the veterans in many cases.

I'm very familiar with branch 178 in my riding. I've met with them, I've talked to them about this issue—and I've often complimented the one in Port Perry and the one in Oshawa as well, along the same lines—to see how they've resolved this issue.

With respect to the armed forces, my oldest boy was a captain in the armed forces until recently. He has a Canadian decoration. He served as a helicopter captain and has been in war zones. He doesn't smoke. He's a practising lawyer now, but he's still a member as such, being that it's tradition. He feels the same way. When he goes back to town, especially Shearwater or places where he was located, he tells me, as I've heard you say, that they've dealt with it internally. In my riding of Durham, I've talked to the Legions there, and they've dealt with it democratically.

In Toronto, arguably, this is a lifestyle thing. It's pretty hard to make a definitive argument. It has been established by the OMA and others that smoking's bad

for you and you shouldn't do it and shouldn't be forced to be exposed to it. I concur with that. What we're looking for here is a transitional mechanism. It's the big stick or it's the way of finding harmony, especially with First World War veterans and that.

In all of the Legions in Toronto—there are some 40 in Toronto—has there been a process for them to vote democratically on whether or not they'd want to be smoking or non-smoking or have designated or negative ventilation? Has there been a process, as opposed to the current McGuinty government coming in with the big fist and just saying, "This is the answer. We're going to tell the veterans and the persons who fought for our freedom that, by the way, your freedom ends here"? How have you dealt with it?

Mr. Adamson: That's a very good question, and I appreciate you asking. I came here representing over 10,000 Legion members in the city of Toronto. We did get all the branch presidents or their executive members of the Legion branches in the city of Toronto—

Mr. O'Toole: Can I interrupt: Are you a smoker?

Mr. Adamson: No, I'm not a smoker.

Mr. O'Toole: So you're not biased here.

Mr. Adamson: I asked them, quite democratically, "How do you feel?" We went to them. If they had turned around and come back and said, "We support this. We don't want to have smoking in our Legion branches," they would have dealt with it accordingly. But unanimously all the branches said, "We want to have the right and the decision to determine on our own if we want to have smoking in our branches."

Mr. O'Toole: Now, some of them might decide to not have smoking.

Mr. Adamson: Exactly. By all means.

Mr. O'Toole: That's the democratic way. Normally, there are always two sides to every issue. In this case here, the evidence is clear.

What I put to you is, would you support some kind of exit strategy for the transitional mechanism for these designated smoking areas? I think that's the key that I'm looking for. We would like to put forward an amendment. Mr. Barrett's the lead on this, but I'm a member of this committee permanently as well. We would like to see a mechanism for them to find a much more inclusive way of getting to where we all want to be, which is no smoking. Wouldn't you say that this ventilation issue could be resolved by saying that by 2010, they will be gone, and no one has to serve there, making sure that all the regulations with respect to negative ventilation and ease of access—they may have to go outside to get back into the main building that's smoke-free. In my area, there have been separate ventilated areas that have been built in the last few years because of the lack of clarity.

Mr. Adamson: My thinking on this, and from speaking with other people, is that I don't think there's any doubt. No one can turn around and say that smoking's good for you. We recognize that smoking is not the healthy thing to do. But someone who has been smoking for 30 or 40 years, to now turn around and tell them that

they've got to go and sit outside in the winter to have a cigarette does not make sense to me. But I think, when you talk about 2010, we're going to get newer members. Unfortunately, people pass on, and we've got a lot of older Legion members now who are going to pass on, the ones who are smoking. Probably by then, as we get newer members in, it might well resolve it. We'll get new members in there, and it's the members who generate it. They can turn around and come out to their general meeting and say, "We don't want smoking in our branch, and that's it."

The Vice-Chair: That's the end of the time. Thank you for the presentation.

Applause.

The Vice-Chair: I'd like to remind the people here that there is no clapping.

HEART AND STROKE FOUNDATION OF ONTARIO

The Vice-Chair: The next presentation is Anthony Graham.

You have 10 minutes to make your presentation. The questions will be to Ms. Martel after the presentation, for five minutes. Just state your name when you begin.

Dr. Anthony Graham: My name is Anthony Graham, and I'd like to defer to my associate, Rocco Rossi, to start our presentation.

Mr. Rocco Rossi: My name is Rocco Rossi. I'm CEO of the Heart and Stroke Foundation of Ontario. On behalf of the Heart and Stroke Foundation, thank you for this opportunity to address Bill 164.

We strongly support the legislation and applaud the Ontario government for introducing it. A smoke-free Ontario is not only good health policy; it is an admirable goal that, if implemented fully, will save the lives of countless adults and children.

I am joined today by Dr. Anthony Graham, a former volunteer president of the board of directors of both the national and provincial foundations as well as a highly regarded cardiologist at St. Michael's Hospital here in Toronto. He's a recognized authority in Canada on the medical impact of smoking on cardiovascular health.

I would like to ask Dr. Graham to speak about the proven impact of smoking and the potential impact of this legislation. I will sum up after Dr. Graham has concluded.

Dr. Graham: What I am about to share with you is fact. It cannot be obscured by any theoretical argument about individual rights or potential economic impacts.

Fact number one is that tobacco is a highly addictive substance with deadly side-effects. There is no way around it: People who smoke almost always get hooked, and nearly 50% will ultimately die of tobacco-related diseases.

Each year in Canada, there are 45,000 deaths attributable to smoking, and 17,000 people die from cardiovascular disease because of tobacco use. The many poisonous chemicals found in tobacco smoke, including

the high doses of nicotine, narrow the arteries and drive up the blood pressure of the smoker. This is a deadly combination, putting extra strain on their hearts and blood vessels. It is why smokers are two to three times more likely to have heart attacks and why their heart disease rates are 70% higher than non-smokers. We can blame tobacco smoke for nearly one third of the people who die of coronary-related problems every year.

It is the same for strokes. If you are a smoker, you are three times as likely to have a major blood vessel block or burst, reducing or cutting off blood flow to the brain. The lucky ones merely have a brush with death; the unlucky ones are killed outright or suffer various types of brain damage, including paralysis, loss of speech, loss of memory and loss of cognitive function.

Those are the kinds of things that happen to people who smoke. Let me add three other sad, true points. First, each of these tragedies affects a broader circle of people, involving a family and friends through the loss of a loved one or the after-effects of a heart attack or stroke. Second, each and every one of these deaths and diseases is entirely avoidable. There is no reason for those 17,000 unnecessary funerals each year. Third, these smokers are not only killing and crippling and hospitalizing themselves; they are doing the same with many thousands of innocent bystanders.

Second-hand smoke kills an estimated 3,000 people in Ontario each year. If you are a non-smoker who is exposed to tobacco fumes at home, your risk of death from heart disease goes up by 30%. It may be even higher in the workplace, where people can be exposed to more smoke, more often. In fact, as one of the foci of Bill 164 is the creation of smoke-free workplaces, the committee should know that research on restaurant workers in Montreal found that working in a smoke-filled restaurant increases one's risk of heart disease by approximately 10%. You can also look at a 10-year study done by Harvard University which found that women regularly exposed to second-hand smoke almost double their risk of heart disease.

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In as little as eight minutes, your body is affected by that exposure. Your heart rate increases, the supply of oxygen to your heart decreases, your blood pressure goes up and your blood becomes thicker and stickier, increasing the chances of heart attack or stroke, all in just eight minutes.

In fact, there's no such thing as a safe level of exposure to second-hand smoke. Whether you smoke it yourself or inhale it at second hand, tobacco smoke is quite likely to kill you.

As a physician who deals every day in my clinical practice with real patients suffering from the effects of heart disease caused by smoking, I heartily support any legislation that helps protect people from tobacco smoke. It is my opinion, based on over 30 years of clinical experience, that this legislation will save thousands of lives. I congratulate the minister and the Premier for introducing this bill.

However, even the best legislation is not perfect, and I know that Mr. Rossi has some thoughts on how Bill 164 can be made better.

Mr. Rossi: Very briefly, we see improvements necessary in two areas of the bill: designated smoking rooms and retail displays.

DSRs simply do not work and have no place in a province serious about reducing smoking-related death and disease. A study of more than 100 DSRs in York region found that 78% failed their operational tests. Inspectors find DSRs with their doors propped open, ventilators turned off and systems not properly maintained. In some cases, children are allowed in the rooms or employees are required to work in them. It's simply not just, to make the risk of cancer, heart disease or stroke a condition of someone's minimum wage job.

My final point and perhaps the most important is an amendment we propose to protect youth from tobacco advertising by prohibiting tobacco promotion at the point of purchase. This should be a complete ban: no signs, no displays and certainly none of the so-called power walls that offer hundreds of packages of cigarettes at once—more than can be sold in that store on any given day or set of days.

Retail displays are the last vestige of tobacco promotion and advertising. Our governments have wisely stopped the tobacco industry from advertising their deadly wares everywhere else in our society. It is time to block this last avenue of promotion.

The tobacco industry will tell you that they are only trying to target adult smokers and to get consumers to switch brands. The truth is that retail displays encourage tobacco purchases. They encourage children to start smoking and tempt former smokers to pick up the habit again.

Retail displays are such an effective form of advertising that the tobacco industry pays \$300 million a year to design and build retail displays and otherwise promote their product. And there's the \$88 million a year that big tobacco pays to retailers for the right to put their products front and centre.

Why do they do this? Because it works. Research on primary school students in California found that kids who go to the corner store once a week and see all those cigarettes on display are 50% more likely to take up smoking. A survey of Ontario young people by the Non-Smokers' Rights Association found that our children and teenagers are extremely vulnerable. More than three quarters of them visit a convenience store at least once a week. Over 40% of them from non-smoking households are able to identify brands and their colours. Nearly all of them feel that they are getting a mixed message about cigarettes. On the one hand, they see a few ads telling them how bad cigarettes are; on the other hand, they get the collective weight of hundreds of million of dollars' worth of sleek displays and slick marketing heft in their faces every time they go to the corner store.

Remember that almost all smokers begin in their teens. At least half begin by the time they are 15. Retail

displays tell these young people that smoking is OK. "Here are the brands. Choose a colour you like, just like candy."

Remember, the tobacco industry knows that corner stores are where to reach kids and smokers. It is where they can reach the only age group where smoking is on the rise—teenagers between 15 and 19—and where they can reach the estimated 75% of smokers who are trying to quit.

The Vice-Chair: You've reached your time limit. Could you just sum up in 30 seconds?

Mr. Rossi: Although Bill 164 appears to ban retail displays, a careful reading of subsection 3(1) of the bill shows the potential for a very serious loophole that must be closed. That section says that restrictions on displays will be determined by regulations to be determined behind closed doors after the bill is passed, not in public hearings and not part of the legislation. We believe this must be changed.

Ms. Martel: Thank you for your presentation this afternoon.

Dr. Graham, I wondered if I could ask you this question. It wasn't referenced in your remarks, so I'm not trying to trick you; I'm trying to call on your medical expertise. The bill right now says that no person shall smoke or hold lighted tobacco in a number of places or areas. It talks about a school, it talks about grounds around private schools, it talks about common areas in a condominium etc. It also references "a place where private home daycare is provided" within the meaning of the Day Nurseries Act. That means a private home daycare that's regulated by the provincial government "during the time of day that daycare is provided": during the time of day that kids are there.

I have two young kids of my own, who used high-quality regulated child care where there was no smoking. My concern is this: it's great that the smoking can't occur when the kids are there, but it's OK if the owner is smoking half the night and smoking up till five minutes before the kids show up. I have some real concerns about how effective that is in terms of protecting some of our youngest Ontarians. I don't want to take you off guard, because you didn't reference it here, but can you talk to the committee about how realistic that is in terms of really protecting children?

Dr. Graham: Thank you for the question. We know that young people are particularly vulnerable to exposure to second-hand smoke, particularly children. We know this is the case in utero. We know it is the case in youngsters at home. Exposure in a daycare environment, I think, is just like a home; it's for an extended period of time. Certainly, my own view as a health care professional would be that this should not be allowed.

Ms. Martel: One of the amendments that I'll move—I referenced this when I spoke on the bill, so this is not a surprise to the government—is that if someone wants to be regulated by the provincial government to provide child care, then there should be no smoking in that environment, period, if you want to be a part of that.

Dr. Graham: I would strongly support that.

Ms. Martel: So there is a risk there that is not going to be taken away by just smoking when the kids aren't there.

Dr. Graham: A most significant risk.

Ms. Martel: I don't have any other questions, actually. I've been looking for someone to ask that question of, and thank you. You filled the bill.

The Vice-Chair: Thank you for the presentation.

We now have the Ontario Tobacco Research Unit.

Ms. Judy Marsales (Hamilton West): On a point of order, Mr. Chairman: We've been given a notice that the mayor of the host community tomorrow has requested an opportunity to present. I just want confirmation, given that it is the host community and given that we'd like to demonstrate our interest in the farmers, that they will be provided some opportunity tomorrow.

The Vice-Chair: This is the host community tomorrow?

Ms. Marsales: Yes.

The Vice-Chair: I look for direction from the committee on that. We're full up as it is. I'd just like direction on this.

Mr. Barrett: I've had a number of phone calls from Steve Molnar, mayor of Tillsonburg, and e-mails—I think maybe the same e-mail. I know we wanted to have hearings in Tillsonburg. I notified the mayor of the hearings. I do know he registered to be a deputation. Ernie Hardeman will be there tomorrow. Ernie has suggested—and I think it goes with the regulation—to, at minimum, ask the mayor to bring greetings either at the commencement or at the very end, but not to bump anyone out who is a properly registered deputation. Those are just my thoughts on it.

The Vice-Chair: Is there a motion to that effect?

Mr. Fonseca: All three parties had a chance to choose their presenters. In all fairness to everybody who was not able to present in person, I don't feel that this would be right. In all fairness to everybody who was not chosen to present, this would not be acceptable. Mr. Barrett had the opportunity to put the mayor on the roster to present.

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Mr. Barrett: I did put the mayor on the roster.

Mr. Fonseca: He was not chosen as one of your—

Mr. Barrett: He was not chosen, no, as we know. I don't know whether the third party has any comment.

Mr. Fonseca: Why was he not chosen?

Ms. Marsales: Would it be possible, as a solution—

The Vice-Chair: He was an alternate, is the information I have.

Ms. Marsales: —as a solution, to bring greetings over lunch, perhaps, tomorrow?

Mr. Barrett: There were 173 people not chosen: associations and delegates. We have a serious problem here.

Mr. Fonseca: I understand. That's why I bring up the point of fairness.

The Vice-Chair: Do we have a motion?

Ms. Marsales: Could I seek unanimous consent, then, to have the mayor bring greetings over lunch to us tomorrow?

The Vice-Chair: Do we have unanimous consent to have the mayor of Tillsonburg present tomorrow?

Ms. Martel: I have a point of clarification. I've heard two different things. I've heard the member ask for the mayor to bring greetings, which, in my opinion, is a different thing from the mayor making a presentation on this bill. So which is it?

Ms. Marsales: The mayor has asked to bring greetings minimally. So I would be comfortable with that. I'll defer to anyone else who has more information.

Mr. Barrett: We may want to make a decision tomorrow morning in Tillsonburg. The mayor will be there in the morning.

The Vice-Chair: It'll be deferred, then, till tomorrow morning. Is that acceptable?

Mr. Fonseca: I say we take care of this right now, rather than go into Tillsonburg. There may be a conflict there.

The Vice-Chair: Do we have unanimous consent that we have introductory remarks by the mayor of Tillsonburg tomorrow morning?

Mr. Fonseca: Agreed. Mr. Chair, how long would we—greetings we agree upon, yes.

The Vice-Chair: We'll leave it to the committee for the time. Is there a motion?

Ms. Marsales: I'll move that we allow the mayor of Tillsonburg to bring greetings. That's a sign of hospitality.

The Vice-Chair: Do we have agreement on that?

Mr. McMeekin: We would be pleased to have the mayor bring greetings.

The Vice-Chair: That's agreed. So we can get on now with the presentation.

ONTARIO TOBACCO RESEARCH UNIT

The Vice-Chair: You have 10 minutes to make your presentation. Please state your name when you start for the purposes of recording Hansard.

Dr. Roberta Ferrence: I'm Roberta Ferrence, with the Ontario Tobacco Research Unit, and I'd like to thank the committee for the opportunity to speak here today.

I'm speaking on second-hand smoke, economics and health. I'm with the Ontario Tobacco Research Unit, which is a research component of the Ontario Tobacco Strategy. We provide independent evaluation of the strategy and carry out a lot of research on tobacco.

I'd like to let you know about the new source of information on the health effects of second-hand smoke just out from the California Air Resources Board. I have handouts here, so if anybody wants to go to the Web site. I'll speak briefly about some of the effects that have been determined at this point.

Developmental effects in children—and I know children are a priority for this government: sudden infant death syndrome, which is a terrible tragedy for any

family; low birth weight; and it may be a cause of a number of other physical problems. It's a confirmed cause of respiratory effects, in particular bronchitis and pneumonia in children, and other respiratory systems, ear infections, and asthma. It may make cystic fibrosis worse, decrease lung function, and so forth.

Everybody knows that second-hand smoke is a cause of cancer—not just lung cancer but sinus cancer and, most recently confirmed, breast cancer, which is a very serious issue. It may also be a cause of cervical cancer, brain cancer, bladder cancer, and lymphomas in children.

As you've just heard, it's a confirmed cause of cardiovascular effects, including heart disease and stroke, and other vascular diseases. There's an estimate of up to 2,600 deaths a year in Ontario, and these estimates are based on the knowledge we have today, which is, as time goes on, the problem is that when you do these kinds of studies, they've only been asking about second-hand exposure for maybe 10 or 15 years in studies. So it'll take us another 20 or 30 years to measure the full impact.

I'd like to mention a study that was done by Barnes and Bero and published in JAMA, a prestigious journal, in 1998, where they looked at the literature on second-hand smoke and found that one third of the literature showed no harmful effects, but that three quarters of these authors were affiliated with the tobacco industry. They found no other factors associated with outcome. This is a warning in terms of looking at what is produced. There are serious biases in the literature that comes from the tobacco industry.

Who is exposed? What we found is that young people aged 15 to 24 had the greatest exposure both at home and at work. I'll show you some data that we have collected. This is from a Canadian tobacco use monitoring survey. You can see that a quarter of young people 15 to 24 are exposed at home, and 50%—this is in 2003—are exposed in the workplace.

You probably know that young people in particular are employed by the hospitality sector. These are people who are not unionized. They're mobile. They don't really have much influence on their workplaces. Most of them who are there have to work. The flight attendants got smoke-free airplanes years and years ago because they were very well organized, but young people haven't been able to do that. Given that youth are a priority for this government, I think it's critical that we protect young people, primarily because it's a workplace but also because most of the people in bars are young people as well.

I'd like to say a few words about the literature on the economic impact of smoke-free legislation on the hospitality sector. Rita Luk, my colleague, and I recently prepared a report for Health Canada on this topic, and it will be on their Web site when it's translated into French. We reviewed 115 studies in 35 different states and provinces and several different countries. Thirty out of 30 of the studies that used the best methods for establishing causality concluded that there was no negative impact on the hospitality sector. Of those who used objective data,

which is also important, a majority concluded that there was no negative impact. Another design would be patron and owner surveys, which are self-reported data—they're not objective—and a little over half of them concluded "no negative impact."

When we looked at the 38 out of 115 studies that reported a negative impact, we found that most of these had used patron or owner surveys, and most were funded by the tobacco industry or by organizations with links to the industry. So there's also a problem there.

What did well-conducted Canadian studies show? There are two: The BC Workers' Compensation Board in 2001 concluded that smoke-free legislation had no negative impact on liquor purchases over the long term, and a study conducted by our research unit concluded that the Ottawa smoke-free bylaw had no negative impact on sales in restaurants and bars.

Bars and gaming facilities: There are two high-quality studies on bars in Texas and California that reported no negative impact. Perhaps of interest here is that two high-quality studies on gaming facilities—one on video lottery machines in racetracks and the other on bingo and charitable gaming in Massachusetts—also found no negative impact.

I'd like to say a few words about the Evans report released by the Fair Air Association and the Pub and Bar Coalition of Canada recently. I could spend half an hour on this, but I don't have it. The key problem with this study is that they used only 100 bars and pubs in Ottawa, and there were no sample sizes given for the other communities. They didn't have a total sample. They picked, as far as we can tell, places that had the highest sales of beer, and they are not necessarily representative of all bars or licensed outlets.

1750

They also excluded new bars from those they took, but they didn't exclude those from their denominator as a proportion of all retail sales. Also, for some of the other communities, there was no pre-ban data for Kitchener and very short post-ban periods for London and Kingston. The Fair Air Association has said publicly that they do receive industry funding.

What about public support for bans on smoking in workplaces, restaurants and bars? These will be my last data. The Centre for Addiction and Mental Health has been monitoring public opinion in Ontario since the early 1990s. I'm showing some data here; I'm sorry that those in the audience can't see it. What we're seeing is an increase in support in all three venues. The largest increases are for restaurants and bars, with restaurants going from 24% up to 57% in only six years and bars going from 10% up to 34%. The interesting thing is that we also looked at it separately for smokers, and we're seeing even stronger increases, quite substantial: from 24% up to 44% for workplaces, from 6% up to 36% for restaurants, and from 1% up to 13% for bars.

What we do know is that when a community changes its legislation and introduces smoke-free bylaws, it really ups public support for that. We're seeing just a straight

line going up for a number of these, so we can expect that this will continue to climb.

The Vice-Chair: Your time is up. You have about 20 seconds to wrap up.

Dr. Ferrence: I'm on my last slide.

What can we conclude from this? Second-hand smoke is a major cause of death and disability. Support for bans on smoking in public places is increasing dramatically among the general public and among smokers. There's no evidence from studies published in scientific journals for a negative impact of smoke-free legislation on the hospitality sector. Finally, the findings of research funded by the tobacco industry and related groups do not support those of the academic community.

The Vice-Chair: Thank you for your presentation, Dr. Ferrence. The questions go to the Liberals.

Mr. Fonseca: I'd like to thank Roberta and the Ontario Tobacco Research Unit, especially for bringing forward many of the facts that the official opposition always ask for. They'll always bring up, "What did the coroner's report say? Did it say 'due to smoking,' in terms of the cause of death?" You've brought up many of the cancers and other illnesses that lead to death due to someone's smoking or to the harmful effects of second-hand smoke.

I'm also glad that you brought up Ottawa and some of the other jurisdictions like Kitchener, Sudbury and other municipalities that have taken that giant step forward toward a smoke-free Ontario and have helped us out in this process.

This came out last week in the Metro paper in Ottawa: "Ban Hurting Bars? No Way" The reason I bring that up is that often we hear from those who may have DSRs or some within the hospitality industry who would like to see open smoking in the workplace, and the harm to Ontarians, continue. The Fair Air Association and Karen Bodirsky will be coming up soon. I hear their ads on the radio, and they put out all this false information. They'll say things like that we are not allowing people who want to smoke in public places, but someone who is in prison—and it'll be in federal prison, which we don't have jurisdiction over. The listener won't really understand that. They'll say that someone in federal prison is allowed to smoke. We wish they weren't allowed to smoke in federal prison, but that's something that has to be taken up with the federal government.

What we're doing here in Ontario is making sure that we can bring the strongest piece of legislation forward. It's unfair that the Fair Air Association would bring forward such untrue "facts," as they claim them to be.

As tobacco use is the number one preventable cause of death, we wanted to make sure that people know that half of all those who use tobacco are dying because of that usage.

We know that big tobacco preys upon our youth. Within this piece of legislation, we made sure that the onus was put on retailers: "No person shall sell or supply tobacco to a person who appears to be less than 25 years old unless he or she has required the person to provide

identification and is satisfied that the person is at least 19 years old." That did not happen in the past; we know that many youth did go in and purchase tobacco. Can you tell me a little bit about that? Have you looked at studies where youth come into retail places that distribute the product, and how they've been able to purchase it? What do you think about looking at now to see that they are at least age 25?

The Vice-Chair: We only have a minute for the answer.

Dr. Ferrence: OK. It's a very difficult situation, because you've got corner stores on every corner in the city selling tobacco. It's really impossible to enforce properly. It's a big gap in our tobacco control system. We're having all these restrictions, we're raising prices, we're doing all these other things, and yet, there it is, everywhere you go to buy some candy.

It's probably very difficult politically at this point to treat tobacco like alcohol and get it into special stores, but the next best thing would certainly be to not have it visible. Visibility is one of the critical things in tobacco control, whether it's kids seeing displays in stores, as was pointed out earlier, or whether it's people who've just quit smoking who walk into a bar and see other people smoking, so they relapse. This is one of the critical things.

The Vice-Chair: Thank you very much.

FAIR AIR ASSOCIATION OF CANADA

LEONARD PARENTE

C'EST WHAT?

The Vice-Chair: The next presentation will be from the Fair Air Association of Canada. I'd just remind the presenters that you will have to remove the buttons before you sit up here.

Mr. Barrett: Do ribbons need to be removed?

The Vice-Chair: I think the button will have to be removed.

Interjection.

The Vice-Chair: I don't see any ribbons. I'm just wondering, why the question?

Ms. Marsales: Excuse me, Chair: We have unanimous consent in the Legislature to wear these today.

Mr. Barrett: The standing committee is the Legislative Assembly.

The Vice-Chair: That's true. We had permission in the Legislature today, so they are permitted.

Mr. Barrett: I don't mind the buttons.

The Vice-Chair: You must remove the button.

Ms. Karen Bodirsky: Done.

The Vice-Chair: You have 10 minutes to make your presentation. State your name for the purposes of Hansard.

Ms. Bodirsky: I want to thank the committee for allowing me to make a presentation today. I am Karen Bodirsky, CEO of the Fair Air Association of Canada. I'm so glad our ads have had an impact, Mr. Fonseca.

We represent the hospitality industry on a range of issues related to smoking bans. We believe that a fair, reasonable answer to the questions you face is to allow ventilated smoking rooms to be offered by the hospitality industry. We are supported by our members across Canada, which include hundreds of bars and pubs, nearly 1,000 hotels, large ventilation companies and individual ventilation engineers, tobacco manufacturers, the beverage industry, many hundreds of bingos and a lovely family-run bowling alley in Niagara Falls.

Last week at Queen's Park, I presented an economic impact study, based on numbers from the Ministry of Finance and using methodology espoused by the last speaker you heard from, that clearly demonstrates the great harm done to the hospitality industry by smoking bans.

I thought it was important that you hear the message first-hand. As a result, today I'm joined by Leonard Parente, who will speak on behalf of charitable bingos, and Tim Broughton, who is co-owner of the C'est What? restaurant in Toronto. I'll ask Leonard to speak first, if I may.

1800

Mr. Leonard Parente: Thank you. My name's Leonard Parente. I represent the bingo industry. There are 4,000 Ontario charities involved in bingo in Ontario in about 100 bingo halls throughout the province. Many of our charities are names well known to you, such as the CNIB, the March of Dimes, the Heart and Stroke Foundation, Variety Village, the Diabetes and Lung Associations, Rotary, Kinsmen, the Knights of Columbus: all recognizable names.

Our charities use about 100,000 volunteers and bingo workers across this province to come to bingos and raise funds for programs and services that government cannot provide. We've referred to the bingo industry as being the glue that holds Ontario together. It creates the supply of programs and services that government cannot provide for people.

I want to show you a little map of Ontario. The areas outlined in green are the municipalities, representing about 6 million people, where bingos are permitted to have DSRs. Our DSRs are physical barriers; smoke does not cross from the DSR into the other part of the room. They are inspected regularly. We own a hall in Toronto, and Toronto municipal health is down there every two weeks to do a test. The DSR is negatively pressured; the air is exhausted out. The test that the municipal bylaw enforcement officer uses is that he holds a Kleenex up to the door, and if it sways into the room, he's not going to cite you for a violation. So we're inspected regularly and there are no violations. If there are, we have to either stop the smoking in our DSR or fix it within a couple of days. We've had no infractions.

The map shows 38 red and blue dots. Each dot represents a bingo hall in Ontario. If Bill 164 goes through as planned, the red dots—there are 28 of them—are bingo halls that we believe will close. The blue dots are the 10 that will remain in that area.

There are 2,400 charities just in this area being served by those 38 bingo halls, and we estimate that 1,600 of them will be displaced. Those charities will have to curtail their programs and services to the about 3 million people who benefit from the work these charities do. We are humbly asking you to allow us to retain our DSRs so we don't have to go out of business. Our industry has spent tens of millions of dollars putting in these DSRs, and we'd like to see them remain.

On the map, you can also see the places that have gone through the legislation that you were talking about, such as Guelph. Guelph had three bingo halls serving about 100 charities; today it has no bingo halls. All of its 100 charities are out of business. It's the same thing with Waterloo and Collingwood, and other municipalities have had the same bad experience. We don't have to go to Massachusetts for a study; we've got it right here in Ontario. We know what happens to bingo proceeds when municipalities go 100% no-smoking without DSRs.

The last point I'll tell you is that 70% of our customers are smokers. We're not here to promote smoking and we don't disagree with anybody who says smoking kills. But we have controlled, adult-only facilities. Nobody who doesn't want to work in our DSR goes into our DSR. No one under the age of 19 is permitted in our DSR. We need our customers. If we lose our DSRs, we'll lose our customers to Internet bingo. The unfortunate side effect is that those people will play bingo on the Internet and smoke at home, where 80% of the people are non-smokers. We've got smoke in an area where only smokers are now, in DSRs in bingo halls. If we enact this legislation, we will force those people back into their homes to play Internet bingo, hurt our charities and create more second-hand smoke in those people's homes. We ask that you allow us to retain our DSRs and that you not destroy the charity bingo that's so important to the province of Ontario.

Ms. Bodirsky: If we may, Tim Broughton has a few words for you as well. Anyone who's been in Toronto much and has been to C'est What? will know that they have one of the best DSRs in the city. He has a number of insights to share with you as well.

Mr. Tim Broughton: Thanks for the high praise. I can't speak for any industry; I can only speak for my own restaurant. In terms of where we are, Bill 164, unfortunately, is going to create very unfair competition. After DSRs are banned, any restaurant with a patio—and there are quite a few within a block of my restaurant—will be able to serve smokers, and I will not. We're in a heritage building. There are absolutely no sidewalks we can use. We'll be at a severe economic disadvantage. It strikes me that a province-wide ban was designed specifically to avoid an unfair playing field. It's trying to make things even for everyone, so you don't have municipalities with different bylaws.

The smoking room right now is responsible for generating somewhere between 20% and 30% of my total sales. If the DSR ban goes ahead, I stand to lose, if not all of that, certainly a significant portion of it. We invested

about a quarter of a million dollars in our smoking room. We built it to the same standards as the smoking room that is allowed under Bill 164: No children are allowed in, it's separately ventilated, and no employees are required to enter. I understand that this is different from other smoking rooms that people have built. These standards—no children, separately ventilated, no employees—are exactly the same standards that are required for a DSR in a nursing home. If those are acceptable, I don't see that there's a public health reason to close mine. It operates the same way.

I think I've identified a problem with this legislation, certainly for my restaurant, and there are probably others in the same situation. Let me suggest two solutions. First of all, amend the bill to allow DSRs that do meet that nursing home standard. I don't think that's unreasonable, because we've dealt with the public health issue. However, we're Canadian, so let's compromise. There's a slight variation on that. You could allow licensees—restaurants—to choose to have either a patio or a DSR. What does that mean? The economics of a patio are clear: They're cheaper to operate, they're cheaper to build, and they're much more lucrative than a smoking room. Given a choice, patios are always preferable, so there will not be a proliferation in the number of smoking rooms. That will give restaurants like mine a chance to compete, and it does not involve any compromise on public health. The DSRs should be built to that nursing home standard.

No matter which solution you choose, and I'm sure there are others that might do it, I just ask you very strongly, do not set up a situation where I can't compete with my neighbours. Thank you.

The Vice-Chair: Thank you for the presentation. You have another minute, if you wish.

Ms. Bodirsky: If I may, I would like to address some of the claims that were made in some earlier presentations. I take issue with the suggestion that DSRs don't work; in fact, they're a very effective solution that is in use now in British Columbia, where ventilation is the standard. It's administered by the Workers' Compensation Board. In that province, workers are allowed to spend no more than 20% of their shift in DSRs, and they certainly have the right to refuse to work there altogether, without fear of penalty.

When you look at ventilation as an option, a number of very substantial studies show that it works effectively. As an organization, we fully support penalties being imposed on businesses that don't properly maintain DSRs. But to suggest that they should take the investment that they've already put into these units to serve their customers is to suggest that a substantial portion of the bar and pub owners in this province, and by extension the bingos and other organizations—they're facing very real economic hardship as a result of the legislation as it currently stands.

The Vice-Chair: We'll go to questions from Mr. Barrett, of the official opposition.

Mr. Barrett: I thank the three of you. In fact, I'll point out that it looks like you've tag-teamed. I'm glad

that some other organizations were able to get on. There are 137 that won't get on, and that's regrettable. I know that in one of the presentations, Dr. Evans's research was questioned in that they only looked at 100 bars and pubs in Ottawa. I'm afraid this committee is only looking at about 78 delegates. Whether that skews it at all, I don't know. I have heard a tremendous amount of information, and I think there's an awful lot more, in terms of the impact of this legislation, than perhaps even the government thought in the first place.

Dr. Evans's report: You did a news conference a week or two ago and identified that the \$1-billion cost to bars and pubs in Ontario didn't include restaurants or doughnut shops and 50,000 jobs. Any comment on that? We just recently heard that it was questioned that it only used 100 bars and pubs in Ottawa and that the Fair Air Association receives industry funding. That was raised on some of the research, that it was funded by industry or the private sector. We don't have the figures, but a lot of the other studies are funded by government, oftentimes through a health unit that has maybe already taken a position. Any comment on that? You may have been here when that was being discussed.

Ms. Bodirsky: Unlike you, I have not been here for the entire day—I'm sure you're all very tired—but I was here for that. Two points, if I may.

First of all, you suggested that a number of people have gone unheard in this hearing process, and you're quite right. While it was my pleasure to ask Leonard and Tim to accompany me today, the reason I did was because there are so many people who feel they are going unheard in this particular debate.

In terms of Professor Evans's study, yes, it studied the top 100 bars in Ottawa and similar numbers in the other jurisdictions as well. The reason this was done is because the professor looked at sales tax data, sales tax receipts for these places. We're talking about an incredible quantity of data, which, I would add, is freely available and is attached to the report itself, which is somewhat unusual for many of the reports that were referenced in earlier presentations. Usually they don't let you see the data on which their outcomes are based. This is Ministry of Finance data. It took a year of freedom-of-information requests to get this information in the first place. This is as much as we could get, and after a year we said, "OK, this is all we're going to get. We're going to work with this." I'm very comfortable with the results. Professor Evans stands by them, as do we. The numbers speak for themselves.

There is significant harm. You can look at the report. If you talk to real bar and pub owners, if you talk to real bingo operators, as opposed to people who claim to be experts in these fields, then you will hear very clearly that there is economic impact. I think you're right. There is often a predetermined outcome to many of the studies. In this case, we were able to acquire the data and put it through a rigorous analysis, and at the end of the day, the data spoke for itself. If the data had shown that there was no economic harm, frankly, we wouldn't have released

the study. I can tell you that in every case where we have done research, we've released it, because the numbers do indicate very clearly economic harm. We're not hiding anything. What we are doing is making information available, information that the government has available to it as well. We would urge the government to look at that data. If there is any question about the information that was used, I would suggest strongly that you do your own analysis and let us know what results you find.

The Vice-Chair: Thank you very much. The time is up.

I wish to thank everyone who made presentations here today. They're excellent presentations. Unfortunately, not everyone can be heard. Thank you very much. There are no more presentations today. We'll just declare this meeting adjourned until tomorrow morning in Tillsonburg at 9 o'clock.

The committee adjourned at 1812.

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Première session, 38^e législature

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des débats
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Friday 29 April 2005

Vendredi 29 avril 2005

**Standing committee on
finance and economic affairs**

**Comité permanent des finances
et des affaires économiques**

**Tobacco Control Statute Law
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**Loi de 2005 modifiant des lois
en ce qui a trait
à la réglementation
de l'usage du tabac**

Chair: Pat Hoy
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Friday 29 April 2005

Vendredi 29 avril 2005

The committee met at 0900 at the Special Event Centre, Tillsonburg.

TOBACCO CONTROL STATUTE LAW
AMENDMENT ACT, 2005LOI DE 2005 MODIFIANT DES LOIS
EN CE QUI A TRAIT
À LA RÉGLEMENTATION
DE L'USAGE DU TABAC

Consideration of Bill 164, An Act to rename and amend the Tobacco Control Act, 1994, repeal the Smoking in the Workplace Act and make complementary amendments to other Acts / Projet de loi 164, Loi visant à modifier le titre et la teneur de la Loi de 1994 sur la réglementation de l'usage du tabac, à abroger la Loi limitant l'usage du tabac dans les lieux de travail et à apporter des modifications complémentaires à d'autres lois.

The Chair (Mr. Pat Hoy): The standing committee on finance and economic affairs will now come to order. The committee is pleased to be in Tillsonburg this morning.

Mr. Ernie Hardeman (Oxford): On a point of order, Mr. Chair. On behalf of the citizens of Oxford county and the great riding of Oxford—as I said to you as we came in, it's one of the best two ridings in Ontario, and to all the members of the committee, I would just point out that you can debate among yourselves whose the second riding might be—it is a pleasure to welcome the standing committee on finance and economic affairs to Oxford county to have a day of hearings on the smoke-free Ontario legislation.

I think it's particularly important that we have this hearing. Although the issue of smoking—

The Chair: You were bringing greetings.

Mr. Hardeman: I know. It's part of the greeting and I think it's important. I want to thank the committee and the government for coming here for this purpose, because in Oxford it isn't an issue of smoking; it is an issue of the impact that this bill would have on our community. I hope we will hear the positions of the different factions of our community as to what impact this will have—

The Chair: Thank you, Mr. Hardeman. That's not a point of order.

It's my understanding that the three parties agreed yesterday to allow the mayor of Tillsonburg to bring brief

greetings. If the mayor of Tillsonburg would come forward, please, and if you would just identify yourself for the purpose of Hansard, you could bring your greetings.

Mr. Stephen Molnar: Thank you very much, Mr. Chairman. My name is Stephen Molnar. It's my pleasure and honour to be the mayor of the corporation of the town of Tillsonburg. Welcome, members.

On behalf of the municipal council and the nearly 15,000 residents of the town of Tillsonburg, it's a pleasure to welcome this distinguished standing committee on finance and economic affairs to our community this morning. It was with great anticipation that our community became aware that the provincial government was stepping out into rural Ontario to conduct public hearings on Bill 164. It was, however, of deep concern that this municipality's original request, as supported by a resolution of our council, was not initially extended the privilege of representation. However, my concerns have been tempered somewhat with the offer to bring greetings to you all this morning. I thank you for this indulgence and I would like to recognize the efforts of the honourable members Mr. John Wilkinson and Toby Barrett for their support and encouragement.

My welcome here is sincere and my comments will be brief.

I'd like to recognize the panel represented here today as the finance and economic affairs committee. This direction is not lost on the constituents, whom I am most honoured to represent. While as a municipality we do recognize and support initiatives that focus on the aspect of smoking as a significant health risk, we also appreciate and rely significantly on the economic benefits from the products of a legal agricultural product.

Isn't it ironic that the building we are meeting in today, the Tillsonburg Special Event Centre, was until recently a thriving warehouse operation for the Ontario Flue-Cured Tobacco Growers' Marketing Board? What was once a reliable source of required tax assessment revenue and a source of family income for over 130 workers has been purchased by the community to protect the social and cultural opportunities that this once proud industry had helped to provide for.

Tillsonburg, a small rural community, once noted in song because of the influences of a proud, legal and productive industry, has been severely impacted as the result of an imbalance in the measures taken to achieve

an agreed-on common good. An anti-smoking policy and productive legislation should be encouraged, and our community supports this initiative. However, when the anti-smoking strategy publicly became an anti-tobacco strategy, the lives and well-being of generations of proud Ontarians have been compromised.

I will defer on some of the comments with respect to the committee and they will be presented in text at a later time, Mr. Chairman; that is with respect to the opportunity that you, along with your committee, have provided me this morning.

My comments would conclude in support for Mr. McGuinty's concerns regarding federal transfer deficits to Ontario. I'd like to suggest that we as a community join you in his and your efforts in supporting this initiative. In closing, I offer you this support, while reviewing texts from a recent speech from our distinguished Premier:

"Ontarians are proud Canadians—proud to be the country's economic engine, proud to be its heart, proud to contribute to our fellow Canadians' well-being.... We're asking for fairness," to keep more of Ontarians' money here in Ontario. "We want to strengthen our province so we can continue to serve our country."

0910

I thank you again, and I'll leave you with this message: Residents of Tillsonburg are proud Ontarians. We're proud to be part of the province's social and economic engine. We're proud to contribute to our fellow Ontarians' well-being. We're asking for fairness, to keep more of Tillsonburg's resources here in Tillsonburg. We want to strengthen our community so we can continue to serve our province. We demand nothing more; we expect nothing less.

To the members, to your supporting staff and to the attending public, I once again welcome you to the town of Tillsonburg. I wish you well in your deliberations today, and I extend an offer to return any time to the open and friendly environment of the town of Tillsonburg, a place to build your future.

Thank you very much, Mr. Chairman. Good luck.

The Chair: Thank you, Mayor.

Interruption.

The Chair: Order, please. I want to make an announcement. I'm advised that there's coffee in the back corner of the room. As well, the committee will accept written submissions up until 5 o'clock today, as agreed upon by the subcommittee.

EXPOSÉ SMOKE-FREE YOUTH PROJECT

The Chair: Now I call on the Exposé Smoke-Free Youth Project to come forward please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

Mr. Trevor Haché: Good morning to everyone. My name is Trevor Haché. I address you today on behalf of

Ottawa's Exposé Smoke-Free Youth Project. Exposé is run in 51 Ottawa-area high schools, and it encourages students to examine the facts, express their thoughts and expose the truth about tobacco. I'm also a former resident of Norfolk county, which is just east of Tillsonburg, in what is commonly referred to as tobacco-growing country.

Before I tell you more about Norfolk, first some more information about Exposé. Exposé youth are committed to tobacco control so that their friends, classmates and siblings do not become addicted to tobacco industry products. In the schools and on its Web site, Exposé works to dispel tobacco company-promoted myths. The following information, which is taken directly from Exposé's Web site, discusses how tobacco advertising works in Canada. It quotes the tobacco industry's own documents, which state that marketing cigarettes to young people is essential to the long-term viability of the industry. I'm quoting now from the Exposé Web site:

"For many years, the major tobacco companies have pledged their unequivocal opposition to youth smoking, and their commitment to reducing it.

"However, their private comments ... illustrate how deceitful these pledges have always been. Despite the tobacco industry's 'public' position on youth smoking, the reality paints a different picture. The vast majority of all regular smokers begin before age 18. Very few people try their first cigarette outside of childhood. In other words, if large numbers of kids did not try smoking, become regular users, and turn into addicted adult smokers, the big cigarette companies would eventually not have enough adult customers to make staying in business worthwhile. The real truth is cigarette companies are addicted to underage smoking."

The following are some direct quotes from internal tobacco industry documents that have been released through litigation:

"New smokers are critical to continued growth in the market." This is from R.J. Reynolds in 1989.

ITL, which is an acronym for Imperial Tobacco Limited: "ITL has always focused its efforts on new smokers believing that early perceptions tend to stay with them throughout their lives. ITL clearly dominates the young adult market today and stands to prosper as these smokers age and as it maintains its highly favourable youthful preference." That's from Imperial Tobacco in 1989.

"Marketing activities have historically been and continue to be targeted at young smokers due to their greater propensity to change brands." That's from Imperial Tobacco in 1995.

I'm closing the quotes now on the text from Exposé's Web site.

Besides exposing the truth about big tobacco on its Web site, Exposé has been working to support Bill 164. Just yesterday in Toronto, Exposé youth delivered 24,000 signed postcards to Health Minister George Smitherman. The postcards are addressed to Premier Dalton McGuinty. They urge the Premier to ban smoking in work-

places and public places in Ontario, and they also urge the government to ban power walls.

Tobacco industry power walls advertise tobacco products to kids in more than 8,400 convenience stores across Ontario. In a letter addressed to Ontario's standing committee on finance and economic affairs—the committee I'm in front of today—dated April 28, 2005, the Exposé students state, "We want you to ban power walls. We want them out of sight so that cigarettes are out of minds. If there are no power walls, there is no temptation to buy cigarettes. This will help ex-smokers stay smoke-free."

The students question the logic behind allowing the world's most deadly consumer product, the cigarette, to be sold alongside candy bars and bubble gum, in plain sight. They recognize that power walls are the most important advertising medium available to the tobacco industry in Canada today.

While governments across Canada have promised to stop tobacco advertising that impacts on kids, the Ontario government seems poised to back down in the face of lobbying pressure. The government has indicated that it will only ban retail countertop displays but could continue to allow power walls, which are the other major form of tobacco advertising at point of sale. Because of that, the Exposé students are questioning the government's commitment to public health, especially in light of the fact that both Saskatchewan and Manitoba have successfully banned power walls.

The students of Exposé believe power walls should be replaced by health messages. Exposé urges the government to use some of its mass media funding dedicated to tobacco control to pay for advertising space on the cabinets that cigarettes would be hidden inside. Instead of a power wall of deadly products, customers who visit convenience stores could see health messages instead. Surely this presents an opportunity for the government to hit its target audience, smokers and young people, with advertising that warns them about the risks associated with tobacco use. Government-funded tobacco control advertisements in convenience stores may be something convenience store owners themselves would be agreeable to.

Even if the government chooses not to pay convenience store owners for health messaging ads placed where power walls traditionally have been, it's important to note that there are dozens of other companies selling products that would likely want to have access to those prime store locations. Those companies would likely pay a premium dollar for that location, just as tobacco companies paid \$88 million in 2003.

Also, over the short term, it is highly unlikely that cigarette sales will decrease at all in retail outlets. As many years pass and Canadian children grow up being exposed to less and less tobacco industry advertising, it is hoped fewer young people will take up smoking. But in the short term, I think it's fair to suggest that sales of cigarettes will remain at their current levels, allowing other companies that sell less harmful products the

opportunity to bid on the space that tobacco companies have, up until now, held a virtual monopoly on.

As I mentioned earlier, Exposé youth fully support the government's plan to ban smoking in the province. I would also thank the government for this initiative. I urge you to enact the smoking ban as soon as possible.

Between 2001 and 2003, when I lived in Norfolk county and worked as a newspaper reporter, I witnessed firsthand the negative consequences of allowing municipalities to regulate where people can and cannot smoke. As you will hear from other presenters today, Norfolk county has a long history of growing tobacco, but what you might not hear from the other presenters is that Norfolk also has a majority of people who support smoke-free legislation.

In the summer of 2002, the Haldimand-Norfolk health unit received funding to conduct the Smoke-Free Living Project from the Ministry of Health and Long-Term Care. There were three phases to the project, the first of which was a telephone survey of adults age 19 and over. The survey found that even in tobacco country, seven out of 10 survey respondents from Norfolk said the community should enact bylaws to restrict smoking to protect non-smokers and children. In fact, the survey found a strong majority of residents in Norfolk support 100% smoke-free public places. Survey respondents also stated that they would likely continue to patronize, and in many cases increase their patronage of, public places that had smoke-free areas.

0920

My message to committee members today is this: I urge you to not—I repeat—not be misled by anyone here today if they tell you that area residents are uniformly against smoke-free legislation. As the survey I just told you about indicates, the majority of people here are very much in support of smoke-free spaces in a way that mirrors opinion on this issue across the province.

The Chair: This round of questioning will go the official opposition.

Mr. Toby Barrett (Haldimand-Norfolk-Brant): Thank you, Trevor, for testifying. I appreciate the research that you've done. Many of us know you from your work with the Simcoe Informer. Actually, Simcoe is a bigger tobacco town than Tillsonburg, not as big as Ohsweken, though. You're right; in fact the Toronto papers had articles yesterday about this government breaking promises. I'm not sure what kinds of promises were made to Garfield Mahood, for example, as quoted in the paper. But we do know the Liberal election campaign promise document: "The Liberals promise to ban behind-the-counter retail displays of tobacco products." You call them power walls; it's the back wall display. We do know, as you've indicated, that this legislation bans countertop displays and it proposes to make the size of the back wall smaller, but it doesn't propose to abandon it, as you have indicated.

Over the last four days of hearings we've heard information from all sides. In some information that came forward, the federal government I think had spent about

\$1 million on their research to get the anti-smoking message on packs. Half the pack is a no-smoking message. It was designed that way so that people could read it six feet away, on the back wall. This came forward from the federal government, anti-tobacco groups like yours and the health community. Now we have a recommendation from some of the same groups to put all of that material underneath the counter; there's something like 30,000 points of information. Again, did you see any disconnect here, where the government spends \$1 million getting those big messages so people can see them from the counter, and now they won't be able to see them? Any comments on that?

Mr. Haché: At the time, I'm sure the government put the warnings on the pack, probably for a variety of reasons. I'm not sure that the main reason they put the warnings on the pack was so that people could see them from behind the counter. Much of the importance of those warnings is that when people have cigarette packs and carry them around, every time they pull them out of their pocket, they see the warning. It's much more important from that perspective than from being able to see them from behind the counter. You said that I referred to the power walls as power walls. In fact, the tobacco industry refers to power walls. They actually coined the phrase "power wall" because they understand just how important that wall of products is to their marketing strategies.

Mr. Barrett: We know that, for example, up to 60% of convenience store sales are cigarettes. I don't know whether you've been talking to corner stores, convenience stores, tobacconists or cigar stores, for example. This came from testimony; there's a problem. With respect to cigar stores, children don't go into cigar stores; you can't buy gum or pop in there. There's a problem if you ban all display of tobacco and ban countertop displays in a cigar store; that's the only thing they sell. That store would be as empty as this tobacco warehouse is now. There would be nothing in there for the adult smoking customer that comes in. This legislation would ban countertop displays, and if you did have a ban on wall displays, the tobacconist, the cigar stores, would have the ability to display zero of their product. You'd be walking into an empty room. You would see nothing. In your work with the industry, do you see an amendment coming forward to give them an exemption? They don't sell to kids. They don't sell to non-smokers.

Mr. Haché: I don't know whether there's an amendment planned to deal with cigar stores specifically. You say that kids don't go into them, but there's certainly no proof of that. I mean, that's an opinion as far as I'm concerned.

Mr. Barrett: We have that from testimony.

The Chair: Thank you for your presentation.

DELHI BELGIAN CLUB LTD.

The Chair: I call on the Delhi Belgian Club Ltd. to come forward.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Ms. Anne Vankerbroeck: Good morning, Mr. Chairman, honourable government officials and members of the committee, I am Anne Vankerbroeck, president of the Delhi Belgian Club Ltd.

We, the directors and management of the Delhi Belgian Club, are very disappointed with the proposed legislation by the Ontario government to ban smoking in all public places, including in bars and on patios. A government overrun by a non-smokers' group and their one-sided ideas are trying to bulldoze the smokers off the edge of the earth without being given one chance to be heard or voice an opinion. We personally think that the smokers, including tobacco farmers, have been silent too long and are now being threatened almost as criminals or displaced persons. All other groups who want special rights or privileges are listened to by government and are granted their wishes, no matter how silly they might be in some cases to other people, because the civil rights code gives them that right.

The other dilemma is that a smoking ban will put another downward pressure on the production of the legal crop of tobacco in this area. Don't people in government realize that tobacco is the main source of income in this area and the livelihood of all tobacco farmers, businesses and the working people? The pinch is already heavily felt today. When an industry closes somewhere in the country, it becomes a national news item, but it seems that we are just a forgotten few.

At our hall, anyone who rents the auditorium can go smoking or non-smoking. We fully support and respect the renters and their wishes. In the same respect, a majority of our clientele in the bar area are smokers, and we would also like to respect their wishes. The lounge is large enough that you can easily sit where there is no smoke. We have card groups that play cards weekly. If they cannot smoke, we may lose them to their own homes. In these times, especially in the Delhi area, it is becoming a challenge to keep our ethnic halls afloat. The banning of smoking would simply put another nail in the coffin.

I am proud to be here today and given a chance to express myself. I hope that my efforts were not totally in vain.

Interruption.

The Chair: Order, please. I remind the crowd that we operate under the same rules as the Legislative Assembly and clapping is not permitted.

On this round, we go to the NDP and Ms. Martel.

Ms. Shelley Martel (Nickel Belt): Thank you, Ms. Vankerbroeck, for being here today. I'm not sure what the Delhi Belgian Club is. Would you mind explaining to those of us who are not from the area so we understand?

Ms. Vankerbroeck: We're the biggest Belgian hall in North America. We have a large auditorium. We host weddings, seminars and banquets. We also have a lounge

area in the basement. We have a games room where we have an archery club, a rhythm club, a euchre club and a dart club that all participate in the hall. We rent it out on a weekly basis to some dancers. We will rent the hall to any function that wants to come.

Ms. Martel: Thank you for clarifying that for me. I'm looking down at the bottom of the first page of the presentation, where you point out that there is "downward pressure on the production of the legal crop of tobacco in this area ... the pinch is already felt heavily today." Can you tell me why that is? Do you think it is because people are making a conscious decision either to not start smoking or to quit smoking, and that is a trend that we are seeing that has been reflected in this area?

0930

Ms. Vankerrebroeck: Yes, I think they've made a conscious effort not to smoke. That's a democratic right and we all support that. One of my personal concerns is—now, this may be getting away from banning smoking, but if we ban smoking and if the tobacco industry is completely gone and we bring in tobacco from other countries, they're not regulated like we are in Ontario and we'll be bringing in tobacco products where we have no idea what chemicals have been put on. That's maybe not quite your answer.

Ms. Martel: We have heard that concern expressed before by other presenters in the other hearings. I think that's a legitimate concern that the committee needs to take account of, and I appreciate that you raised it again today.

When I spoke on this bill some time ago, a good part of my debate had to do with the commitment the government had made with respect to tobacco farmers when they introduced their whole strategy. At that time, the government had not made any announcement with respect to the \$50 million that it had pledged to the tobacco industry. I said very clearly at that time that it was going to require \$50 million and more, frankly, to do something different with this industry. You're quite right; where we're heading is that the move is going to be out of tobacco and we need to be figuring out, in light of that reality, how we're going to support farm families.

The government had also at the time of the commitment said they would bring the federal government on board and work together, both with a strategy and money. I don't know that there's been an announcement of any federal money and I'm not sure what, if any, efforts are going on by the provincial government to bring the feds on board. I do think it's going to require a lot more money than the \$50 million, and I gather the \$50 million has been announced.

I don't know if you have any sense of what's happened since that announcement, if any of the folks in this room who are part of the agricultural community have seen any of that money and have any idea how it's going to be dispersed, spent or allocated to them. Do you have any sense of that?

Ms. Vankerrebroeck: Yes. Actually, we also grow tobacco. Right now, we are into a redux. We had to have

our bids in yesterday, today or tomorrow, and there is funding by the federal government. It's a reverse auction and it's being topped up a bit by the provincial government. But I think that when this is all said and done—I can't put a figure on it, but it's way not enough money to get the farmers out who need to get out. Another big problem is it's supposed to be transition money, but if we flood the market with another product or crop that is also being grown now, it's going to eradicate that product because it will just flood the market, and this is a big problem. You don't want to put your neighbours out of business because you're doing an alternative crop, but you've got to keep afloat too.

Ms. Martel: The alternative crop has to bring in enough income for you to make it worthwhile to grow it in the first place. Some of the farmers who spoke to me during the debate on this bill said they had tried alternative crops and it ended up costing them more than they were actually getting in return.

The second thing that happened was those who had a contract with some bigger corporations that sell the product—and I won't start to name names—suddenly found that those contracts this year had been cancelled because they're bringing in cheaper imports, essentially from the United States. So this is not an easy problem to deal with. It's going to take a very concerted effort and a concerted strategy between the federal and the provincial governments to figure out what to do.

I don't want to ask your own personal circumstance, but you're obviously looking at it. In terms of what's on the table right now, what does this do for you? I don't need to know any numbers, but—

Ms. Vankerrebroeck: No, we are putting a bid in. We likely won't get out with it. I'm guessing there will be some that will be lower because they have to get out; the bankers are forcing them to get out. But it's a real consideration. My husband's 65; I'm 55. It's time we're looking at getting out.

We were forced a few years ago to put heat exchangers in, which cost mega-bucks. We did recoup some money on that, but many farmers, when they put their heat exchangers in, decided, "OK, it looks good in the industry. We'll go with a harvester. We'll go with the bins," which was another expense, and now the industry is declining and we're left with this huge debt, which initiated with having to put the heat exchangers in.

Ms. Martel: Thank you very much.

The Chair: Thank you for your presentation.

MIDDLESEX-LONDON HEALTH UNIT

The Chair: I'd call on the Middlesex-London Health Unit to come forward, please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I'd ask you to identify yourself for the purposes of our recording Hansard.

Dr. Graham Pollett: Thank you, Mr. Chair and members of the committee. My name is Graham Pollett. I'm

the medical officer of health with the Middlesex-London Health Unit. We thank you for the opportunity to speak to you this morning.

A few weeks ago, I had the wonderful pleasure of being a judge for a contest where school kids made hip-hop videos. Now, I'm not a hip-hop kind of guy, but this particular hip-hop song really struck a chord with me. It was an especially commissioned one-minute-long piece of music to encourage people, and in this case kids, to quit smoking or to not start at all. We watched more than 25 videos that day and I left the screening feeling quite uplifted. If all of these kids buy into the "quit smoking" message, then the work of this standing committee would be greatly reduced because we wouldn't have a smoking issue, and that's a good thing.

At the gala screening of the videos at a London cinema, as we presented certificates to the kids, I asked them if they realized that people used to be allowed to smoke in movie theatres. A ripple of laughter went through the room. At the same time, many of their parents quietly nodded their heads, remembering the not-so-distant past when people did smoke in movie theatres, in bank line-ups, on the job and on buses. Now, these same kids will never have to ask to sit in the no-smoking section of a restaurant in London or Middlesex county and they can go to a concert at the John Labatt Centre or a party at the Western Fair and they won't be subjected to second-hand smoke. Smoking will not be in their face, as the kids like to say. I'm proud to say that the Middlesex-London Health Unit has played a lead role in making that happen.

Londoners and citizens of Middlesex county love our no-smoking bylaws. Since enactment on July 1, 2003, in London and on August 1, 2003, in the county, we've had the pleasure of living in a 100% smoke-free environment in all public and workplaces. The county has seen a 100% compliance rate, including at bingo parlours in the county, which became 100% smoke-free in August of last year. The city of London has experience a 90% compliance rate. We've been vigilant in enforcing the bylaw and people appreciate that effort. We've even had citizens ask us if we can make restaurant patios smoke-free so that they can enjoy dining outside.

Just following the July 1, 2003, enactment of the bylaw, over 90% of city of London residents supported smoke-free workplaces. The majority of residents were strongly supportive—that is, 82.7%—and an additional 9.5% were somewhat supportive of smoke-free workplaces. This is according to our health index of last year.

According to this same survey, London residents now appear to be making the link between wanting their own workplaces smoke-free and understanding that many public places are also someone else's workplace. This is evidenced by the corresponding increase in support for public places such as bars, bingo and billiard halls, as well as bowling alleys, all of which are workplaces for many residents.

The county of Middlesex residents were a bit more sceptical of the new bylaw before it was introduced.

After all, tobacco is a cash crop in Middlesex county. But following the bylaw, 85% of Middlesex county residents supported smoke-free workplaces. County residents also now seem to be making the link between wanting to work in a smoke-free workplace and understanding that many public places are also someone else's workplace. The county has experienced a 100% compliance rate with the new bylaw.

These rates of compliance didn't come easily. We faced extremely strong opposition during the development phase, in particular from the hospitality industry. We even saw the formation of a new lobbying group established solely for the purpose of fighting the bylaws. Our public meetings were interesting to some, entertaining to others and challenging to everyone involved.

0940

The strongest argument against the bylaw was that people would go out of business. Studies show that the hospitality industry suffers no long-term effects from the implementation of no-smoking bylaws. Today, the bars along London's party strip, known as Richmond Row, are thriving, with lineups of people waiting to get inside. Less than 10% of bars and restaurants in the city have closed since the bylaw was enacted, and the industry acknowledges this is a typical number of closures to be expected in any year. The Western Fair racetrack and slots are packed and smoke-free. Other health units, such as Hamilton and Huron county, have come to us for help and used our bylaw as a template in their communities.

We fully support Bill 164, because it's even more comprehensive than our bylaw. We especially endorse the description of patios as an outside area with no roof. That makes it very clear. Our bylaw indicates that patios must have 35% of the enclosure open, and this has led to disputes regarding retractable canvas roofs and other issues. It's preferable, in our opinion, to clearly define what a patio is and state that it must not have a roof.

We don't support designated smoking rooms, and our bylaws don't permit them. We support a level playing field, and DSRs do not lead to a level playing field. What happens with DSRs is that owners with sufficient money or space, or both, can create one, while those without money or space have difficulty.

For us, the solution is clear: Keep the smoke outside. With DSRs, there is still a level of smoke in the rest of the operation, and Health Canada says there is no safe level of second-hand smoke.

We, in London and Middlesex county, experience a greater level of health and enjoyment living in a no-smoking jurisdiction. We strongly encourage the passage of Bill 164, to give all citizens of Ontario the same opportunity for good health.

The Chair: This round of questioning will go to the government.

Mr. John Wilkinson (Perth-Middlesex): Thanks, Graham. It's good to see you here today. As the member for Perth-Middlesex, I was obviously involved in hearing from constituents when we were going through the whole issue of going smoke-free in the county. I remember talking to the warden about it.

I have the honour of representing the people in Komoka-Kilworth, and there's a great restaurant there, the Little Beaver. Everybody goes there. It used to permit smoking, and they were very, very concerned that their business would die off when the county went smoke-free. I think their business is booming. It's better today than it's ever been.

I know that people have come and told us that there will be dislocation, but as a business person, the sense that it would be right across Ontario, so that there is no economic advantage either way—we have these areas where different counties or different communities are abutting, where it's permitted or not, and I think a lot of municipalities have come to us and said that it's far better, since we're the people who collect the taxes on tobacco, that there be one set of rules right across the province.

I was wondering, though, if you could comment on the whole concept of prevention. I know that our government is key in a lot of areas in regard to public health, and this part of an overall strategy to try to promote and cajole people into being healthier, since we all pay the cost of unhealthy lifestyles, because we live in this great country where we have public health care. So I was wondering, in your role as the medical officer of health, if you could comment about whether we're going down the right track, whether there are some places where we need to be even more aggressive, and any type of evidence you have that this is the right path for us to take. Because there are people who are telling us that we shouldn't be doing this.

Dr. Pollett: This is a very important component of the whole prevention piece: legislation and what the legislation requires in terms of what we refer to as environmental supports. No smoking in public places and workplaces complements all the education-related activities that are done with children, especially students, and also with adults in terms of continuing not to smoke if they're not smoking or perhaps assisting them to quit if they are. So they complement one another, but the legislation is a very key part of the overall prevention strategy to address the illnesses and deaths caused by tobacco.

Mr. Wilkinson: We hear a lot of comments about the need, in regard to children, to de-normalize smoking so that children are not given the false impression that smoking is a normal thing and therefore healthy. Adults all know that it is not healthy, and we have to make our choices.

It was interesting to hear from the people involved with public health, and also the lung association and the cancer society, what we need to do to get the message across that it's not normal. Could you comment on de-normalization and how important that is with children?

Dr. Pollett: It's absolutely critical that children understand not only that this isn't a cool thing to do, but what the consequences are. That's a very difficult message to get across to kids, particularly adolescents, who, as we all know, think they're going to live forever at that age. Consequently, it's extremely difficult. Legislation of this

nature is so important in that context, and that's why we strongly support the passage of Bill 164.

The Chair: Thank you for your presentation.

ADAM PAYLER

The Chair: I call on Adam Payler to come forward, please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Adam Payler: My name is Adam Payler. First of all, I would like to thank the members of the legislative committee for giving me this great opportunity to express my views and the opinion of many other youth on the issue of the Tobacco Control Statute Law Amendment Act.

This is a great experience for me personally, and an excellent chance to illuminate the genuine and valid outlook of youth on a matter in which they are the primary concern. Youth indeed are the future, and becoming connected with the general feelings and opinions of them will certainly lead to a more flourishing and socially prosperous future.

In my opinion, there is only one thing worse to a non-smoker than coming home from a great evening out to find your clothes smell terrible due to the fact that they are saturated with the revolting stench of smoke, and that is knowing that this same smoke is slowly eroding your health, through your lungs and heart and ultimately your life. Second-hand smoke increases your risks greatly for developing cancer—especially lung cancer—heart disease, stroke and other respiratory illnesses. This is not something new. In fact, the International Agency for Research on Cancer, the US Surgeon General, Health Canada and the Ontario Medical Association have all affirmed that second-hand smoke is a serious cause of disease, and stating otherwise would only promote the views of the tobacco industry.

On a more personal note, I am a 15-year-old student in grade 9 who attends St. Joseph Catholic high school in St. Thomas. I am very much involved in my school community, participating actively on many of our sports teams. To me, the issue of the ban on smoking in all public places is very clear: It is simply a right-and-wrong issue, with no in-between. From the education I have received in our school system on the harmful consequences of smoking, not only for those who actually smoke but for those who are in the vicinity, I am able to say that I am in strong support of this legislation.

I'm all for a democratic and just society, where the vision and ideas of the majority of individuals are taken into consideration. This hearing is a prime example, but in actuality I feel that when the Ontario Medical Association reports a public health risk, there is no need to waste money conducting this hearing. After surveying and talking to many of the youth in my community, I have come to the conclusion they share similar beliefs, and I have brought to you today a petition of support for Bill 164.

To say that tobacco and smoking affects youth is a severe understatement. Today, in the minds of most youth, smoking is no longer considered to be cool. However, teens continue to smoke, and in the United States alone, an estimated 6,000 teens light up for the first time and 3,000 become regular smokers every day. Such horrific numbers make you only want to agree more with this bill, as it will help discourage teens from experimenting with smoking, and with smoking in general.

Banning smoking in public places makes it more difficult for the smoker's habit, forcing the parents of these teens to be better role models for their adolescents. If both parents smoke, a teenager is more than twice as likely to smoke than a young person whose parents are both non-smokers. In households where only one parent smokes, young people are also more likely to start smoking. Furthermore, approximately nine out of 10 adult smokers began smoking as teenagers, unable to stop, continuing right through to adulthood.

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I, for one, have strong values, opinions and great willpower and I feel that my priorities are arranged properly. Many adolescents in our society are in a very different situation. Youth generally start to smoke these days to deal with peer pressure, stress and as a way to cope with other cravings. In addition, many start because they see family members doing it, which gives a prime example of our need for a bill which discourages not only smoking in public places but in general. Out of those who begin smoking as teens, one third will eventually die from smoke-related causes.

Finally, a crucial factor on teens to smoke is the influence of tobacco advertising. That is why this bill is so important to the youth in this province. Bill 164 proposes to eliminate the countertop displays, which will take away the message they are sending to us youth that this, as a form of advertising, is legitimate and normal. I challenge both the government and the minister to take the extra steps to ban power walls completely.

In conclusion, the passing of Bill 164 will ensure that my generation and the generations to come will not have to suffer from the harmful effects of second-hand smoke. Thank you.

The Chair: This round of questioning goes to the official opposition.

Mr. Hardeman: Thank you very much, Adam, for a very well researched and from-the-heart type of presentation. I think it's very important that adolescents, as you mentioned, make presentations to committees like this.

I was a little concerned with the comment that, because the medical community has a very strong opinion on this bill as a positive attribute for our society, the hearings are not required. I think, when government makes decisions, they need to base them on the whole community, not just one sector, and they have to weigh the positives and negatives and all the things they hear. I think it's very important that we do have these hearings.

Incidentally, I don't smoke. I did once. Maybe I quit because I wanted to be a good example to my children.

What was interesting was that they didn't smoke as adolescents, but three out of the four started smoking when they became adults. Two of those have quit again. Do you really feel that your peer group is in fact dramatically influenced by their parents and their adult associates as to whether they do or do not smoke?

Second, do you believe that not being able to smoke inside establishments will decrease the number of young people who take up the habit?

Mr. Payler: First of all seeing your parents smoking, and walking into a convenience store and seeing walls full of tobacco products, only make us feel like it is the norm. You grow to think that smoking is regular for everyone. You get the feeling that smoking is OK.

Yes, I think that parents do influence. If you see your parents smoking, you start smoking. It's more common, I feel, than looking at my friends and other peers at school. I think that the bill banning smoking in public places will decrease the number of smokers.

Mr. Barrett: Thank you, Adam. It's great that you came out to testify. You talked about being in your home, and clothes smelling of tobacco smoke. You talked about second-hand smoke, and you're calling for banning smoking in public places. You also mentioned that parents who smoke in the home would perhaps cause teenagers to smoke as well.

The one dilemma that has come up in these hearings is that if you do ban smoking in public places, then those people will be smoking in their homes. There will be more people smoking at home, where their children are. Your concern about second-hand smoke—there would be more exposure to children in the home from second-hand smoke. They would be seeing their parents at home, smoking, whereas they probably wouldn't be seeing their parents smoking if they were in a bar, a pub, a restaurant or a Legion or somewhere. So there's that other side of the story.

Health Canada does suggest that children who see their parents smoke are twice as likely to become smokers, so you're right there. But this legislation would cause a change in the behaviour of smokers.

There's also a concern that many homes do not have the ventilation systems that you would get in a designated smoking room in a restaurant. Any comments on that?

Mr. Payler: I think, first of all, that this ban is only the start of what we need to do. We need to address the whole situation of smoking and keep up the negative advertising: Tell of its effects and let youth know. This is only the first step that I feel we should take.

Mr. Barrett: You also mentioned that you feel there's no need to waste money to conduct these hearings that have been going on. This is only the fourth day but unfortunately it's the last day. Apart from what you say, 225 organizations applied to testify, as you are doing. They do want to come forward.

In fact, you came forward for the hearings. You say it's a waste of money, and that's fine. It may well be, depending on what the government does with this legislation. But there are 137 people like yourself who are not

allowed to testify. They feel it is important and they do want to come forward. We live in a democracy, and people do like to have their say.

The Chair: Thank you for the presentation.

Mr. Wilkinson: On a point of order, Mr. Chair: Just to be clear, I think you'd mentioned before that people have the right to have written submissions to this committee. What was the deadline again, Mr. Chair?

The Chair: Today at 5 o'clock.

Mr. Barrett: On a point of order, Mr. Chair: I agree with Mr. Wilkinson. Those people who have been told they cannot testify can put something in writing. There are petitions at the back of the room for people to sign as well if they are concerned about—

The Chair: That's not a point of order.

I would call on the Royal Canadian Legion, Branch 164, to come forward, please. Committee to Save Charity Bingo, would you come forward, please.

KATRINA RICHTER LLOYD FISCHER

Lloyd Fischer and Katrina Richter.

Good morning. You have 10 minutes for your presentation. There may be up to 5 minutes of questioning following that. I would ask you to state your names for the purposes of our recording Hansard.

Ms. Katrina Richter: First of all, I'd just like to say good morning, members of provincial Parliament, honorary guests and media. Thank you all for taking the time to be here this morning.

Mr. Lloyd Fischer: We're here to speak to you about Bill 164, a smoke-free Ontario. I'm Lloyd Fischer.

Ms. Richter: I'm Katrina Richter. Both Lloyd and myself are students at Sir Wilfrid Laurier Secondary School in London, Ontario, where just recently smoking in public places was banned.

Mr. Fischer: At Laurier, we have taken many steps toward a smoke-free school. We ran a health fair for the grade 9 students showing them the effects of smoking on physical, health and psychological performance at school.

Ms. Richter: We have been fining students for smoking on school property, and we have just finished our anti-smoking video contest. The video contest was open to anyone in our school wishing to voice their opinions on anti-smoking. It went incredibly well.

Mr. Fischer: We are both active members of the healthy school committee at our school.

Ms. Richter: The committee is great, and this year we chose to focus specifically on smoking. That's pretty coincidental. Lloyd and I are both really passionate about this effort and have been trying our hardest to make it work in our communities.

Mr. Fischer: Katrina and myself have just returned from an anti-smoking conference in St. George, Ontario. We gathered with youth between the ages of 15 and 17 years of age for a weekend and, surprisingly, we all had the same views.

Ms. Richter: All of us came from different areas of Ontario. We had very different backgrounds, but surprisingly, we all had the same views. We found common ground in one thing: We were all against tobacco.

Mr. Fischer: Most of the kids were non-smokers, but we did have some insiders' advice from a few ex-smokers and a couple of smokers trying to quit.

Ms. Richter: I personally learned so much from this weekend. We learned about the way tobacco companies advertise, movie portrayals, health effects, and its impact on youth.

Mr. Fischer: We both had a great time learning about it and really thought that it was a great cause. We couldn't wait to get started, now that we have the power to help influence your choice today.

Ms. Richter: Lloyd and I are both members of the YTC, the Youth Tobacco Coalition.

Mr. Fischer: The YTC consists of select kids from the conference who are interested in continuing on with the effort to rectify this large and growing problem.

In a single cigarette, there are over 4,000 chemicals. Fifty of these are carcinogens.

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Ms. Richter: Although neither of us are smokers, according to Statistics Canada, one of us will die from a cause directly associated with smoking. We are victims of second-hand smoke.

Mr. Fischer: In restaurants across Ontario, there is a smoking and a non-smoking section. However, this really does nothing. The people seated in the non-smoking sections are at just as high a risk. The vents in the building circulate the air, even the air full of smoke.

Ms. Richter: Why should we have to suffer just because someone else has chosen to smoke? Why should we be subjected to it as well?

Mr. Fischer: We shouldn't have to, and if we pass this bill, we won't have to.

Everyone knows about the health risks associated with smoking and what second-hand smoke is. Our whole lives people have been telling us that smoking is bad for us. So why haven't we listened?

Ms. Richter: Maybe it isn't the fact that we haven't listened. Maybe it's the fact we're no longer hearing them.

When we were little, we'd walk into a variety store and, after what seemed like hours of debate, we'd finally pick out the candy we wanted and bring it up to the cashier. The cashier happens to be located right in front of where power walls are displayed.

Mr. Fischer: When we were younger, the power wall was just a beautiful mirage of colours. Now we know the colours are associated with brand names such as Player's and du Maurier. We have slowly been desensitized to smoking and its effects. No longer are we shocked to see a smoker walking down the street. It's just an everyday occurrence.

Ms. Richter: Desensitization is a growing problem. Popeye's candy sticks are no longer thought of as candy but as fake cigarettes for kids. There are also other

candies, such as Chicago's, made to look like cigarettes, and the packages are meant to look like cigarette packs.

Mr. Fischer: In movies, famous, beautiful movie stars are turning to cigarettes to help portray emotions. The stars people look up to are telling kids that if you are angry, it's OK to blow smoke in people's faces.

Ms. Richter: That is where the whole advertising problem started: on television. Tobacco companies advertise in teen magazines, commercials and on Web sites where the target audience is, well, teens.

Mr. Fischer: We are the group targeted by the tobacco industries, and we're still easily influenced by our peers and feel like we need to fit in.

Ms. Richter: It is easier to hook someone who is easily influenced by their peers than someone who is outgoing and doesn't care what other people think of them.

Mr. Fischer: If you can hook a 12-year-old into becoming a chain smoker for life or a 30-year-old into becoming a chain smoker for life, what do you think they'll choose? Most likely the 12-year-old. After all, the 12-year-old will live longer, and this way the company receives a lifelong customer: more profit.

Ms. Richter: Let's face it, tobacco companies don't really care about your well-being. Just like every other company in this world, they're worried about their profit, and that's it, even if they have to ruin millions of lives in the meantime.

Mr. Fischer: Some 123 Canadians die every day from smoking-related causes. To rectify this problem, it's easy as 1-2-3.

Step 1: Reduce deaths by getting municipal, provincial and federal support. It is crucial that we get support from each level of government to successfully carry out and accomplish our goals.

Ms. Richter: Step 2: The support of the community, media and local agencies is another vital component in ensuring a brighter tomorrow. Remember, we are the future.

Mr. Fischer: Step 3: A general understanding and respect for non-smokers to ensure a healthy, happy Ontario. Teens do have strong opinions when it comes to issues, including smoking, but we're never asked about them, and when we are, we're not taken seriously or we're ignored.

Ms. Richter: So where do we go from here? You guys all know there's an issue, yet you choose to ignore it. We won't. We're not the ones making the decision—that's your job—but we're the ones affected by it. So when you get the ballot to cast your vote, make the right decision and vote for a smoke-free Ontario.

The Chair: Thank you. This round of questioning will go to the NDP.

Ms. Martel: Thank you, Lloyd and Katrina, for coming here today and for making the presentation. I appreciated it very much.

You might have minimized your efforts here today in terms of saying we make the decision at the end of the day, but I can tell you that of all of the presentations that

we've had in terms of all of the public hearings, it's been very important to hear the perspective of youth. You are quite right: You are the ones who are the most affected and the ones who, if hooked, will be in for the long term in terms of health problems.

I wonder if you can just tell me on a personal level how you got involved in anti-smoking initiatives. Was it a personal reason? Was it something at home? If you can just respond to that.

Mr. Fischer: In my case, my family—everybody in my house, actually—smokes. I've had relatives pass away because of lung cancer and things like that. So it was kind of important to me.

Ms. Richter: I got involved with the healthy school committee this year, and we chose to focus on smoking. I got really interested in the issue. My grandparents are both smokers, and they both have physical dependencies on nicotine. If they were to come off of nicotine, it would harm them more than if they were to stay on it.

Ms. Martel: Because they've been smoking for so long now.

Ms. Richter: Yes.

Ms. Martel: Do they have health problems now?

Ms. Richter: Yes. My grandmother is in and out of the hospital a lot with respiratory illness.

Ms. Martel: When you talk about your coalition at school, the healthy school committee, how was the decision arrived at to focus on smoking this year as an initiative?

Mr. Fischer: We sat down and just decided what kinds of issues were really important that we needed to face. Actually, this year, the topic of tobacco was a collective agreement. We cast ballots, and on every one of the ballots, I believe, the members on the committee voted to do tobacco issues this year.

Ms. Martel: In terms of the initiatives that you talked to us about that have been undertaken by the committee, what's been the reaction by students? Are a lot of people on board? Is it the majority? Do they understand the issue? Do they understand the health consequences? What's the reaction?

Ms. Richter: I think everyone's always known the issues and the effects of smoking, but no one has really paid attention to it because it has always been pounded into our heads since we were little. We've been desensitized to it, as we said. Because of the fines at our school, we've seen a decrease in smoking on school property; we can't say about off school property, but on school property there's been a dramatic decrease.

Ms. Martel: You talked about fines. Is it your committee that does that?

Ms. Richter: No, the health board from London. It's illegal to smoke on school property now, so—

Mr. Fischer: The smoking enforcement officer—

Ms. Richter:—will come.

Ms. Martel: They're out regularly to the school?

Ms. Richter: Yes, they check in weekly—all the time, coming in and out. They don't say, "OK, every Monday

we're going to be here," because that would tell them not to smoke here on Mondays.

Ms. Martel: They'd be forewarned.

You talked about the power wall. We've been interested in the perspective of young people, because there certainly is a difference between a young person's perspective of a power wall and someone like mine. I've got to tell you honestly, I'll go into a convenience store and I don't even think about it; I don't even see it. So when you talk to your friends and when you think about it yourselves, how come it's far more attractive to you and how come I'm not picking that up? What's wrong with me?

Ms. Richter: I don't think it's that you're not picking it up and we are. We've been desensitized to it. When we were little, we associated the bright colours of the packages with pretty colours behind the wall. But now we've learned that they're associated with brands, and we don't even pay attention to the fact that they're bad for us any more. We still think of them as if we were little kids. We still think of them as bright colours. When kids see them, it doesn't register that they're bad; they just see something that's nice. They don't register that it's something that could harm them.

Ms. Martel: When you're in a convenience store on a weekly basis, that's what you're seeing at the counter?

Ms. Richter: That's what younger kids are seeing, and subconsciously we think it still stays with you.

The Chair: Thank you for your presentation.

COMMITTEE TO SAVE CHARITY BINGO

The Chair: I call on the Committee to Save Charity Bingo. Please come forward. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard.

Mr. Andy Norwich: My name is Andy Norwich. I'm the vice-chair of the Committee to Save Charity Bingo.

Ms. Eileen Dunsmuir: I'm Eileen Dunsmuir. I'm a member of the Charity Bingo Association.

Mr. Norwich: I hope you'll excuse me; I brought my own clock, not that I question your timekeeper. It's just that we have limited time, and I want to make sure I get all the facts in.

The Committee to Save Charity Bingo was formed in March of last year to represent charity bingos around the province, of which there are 4,000, to give them representation to the Legislature. This, what we feel is oppressive legislation, will destroy charity bingo.

I have a question, please, if I may, since it's my 10 minutes: How many of you have actually ever been into a bingo hall that has a designated smoking room? Have many of you have ever spoken to bingo players, smoking and non-smoking alike? Do they come to your office versus you going to a bingo hall? OK, thank you.

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I'll just now ask you to grab a pencil, a pen, a piece of paper. I'd like you to copy down some items for me. The

first item, \$100 million; the second item is 4,000; 100,000; three million plus; one million plus; 50%; casinos; \$125,000; and zero.

The \$100 million is the amount of funds that I've raised directly for charities and non-profit groups in Ontario. That relates to approximately one half billion dollars of services to the residents of Ontario, many of which used to be funded by government at one level or another but no longer, so we supplement as bingo charities.

The 4,000 is the number of charities that are remaining in bingo. That is down from 7,200 eight years ago.

The 100,000 is the number of volunteers that bingo has across Ontario doing bingos and raising these necessary funds.

Three million plus is the number of Ontario residents who are helped directly or indirectly by bingo funds.

One million plus is the number of voters who will be affected by this legislation if it is passed without amendments to allow for designated smoking rooms.

Fifty per cent is the number of bingo halls that will close within one to two years of the passage of this legislation.

Casinos: I am amazed at the lack of attendance or any point of view at these hearings. If you're not aware why, please allow me to let you know. Duncan Brown, the CEO of the OLGC, and the OLGC have demanded that the casinos stay out of this legislation. They are to have no comment. This has been verified to me by various high-level management at the casinos around. So the government, through the OLGC, is directly affecting the results of this legislation.

One hundred and twenty-five thousand is a dollar amount. Not too many months ago, the Liberals gave the Variety Village bingo hall in Toronto \$125,000 to keep operating. I find it a little condescending and personally insulting that you are giving money to one group, knowing very well that this legislation will destroy what you are trying to help.

Zero is what I fully expect the support will be for members of this government and opposing parties should they vote for this legislation.

The government has already put down a large number of obstacles for bingo in previous legislation for slots. Eight to 10 years ago was the beginning of the demise of bingo, when the slot machines went to the racetracks. All we want in the bingo industry is a level playing field. We have a proposal to the government to put slots in bingo halls. That is not socially responsible, is what we're being told. Social responsibility is in the eye of the beholder. When you start affecting 3.5 million people, give or take, how socially responsible is this legislation? I have to wonder. These are disadvantaged groups—youth groups; the lung association; the heart association; burn associations; churches; cultural groups; skating clubs, which I personally represent; the Big Brothers Big Sisters, another bingo that I personally represent—that are badly in need of funding.

This legislation, without an amendment to help bingo halls, in a smoke-free environment, will only do one

thing: affect the groups in Ontario, and then they will be coming back to the provincial government asking for funding. Where are you going to get the money from? So many promises have already been broken that it's impossible for you to fund 4,000 charities, as I said, to the tune of \$100 million. That \$100 million is half a billion dollars in services. The private sector, such as the charities, can make a dollar stretch six times further than can government offices.

With the little time that's left, if Eileen would like to say something, I would appreciate that.

Ms. Dunsmuir: I'd just like to add that I've been involved in not-for-profit agencies and health care institutions for the last 10 years and been involved in managing bingo events. This money has been a huge benefit to our organization. Currently we spend over \$50,000 a year from bingo on research for diabetes. We operate our branch, which serves people from the Niagara Peninsula through Hamilton to Brant county.

This whole issue to me is about allowing people to have a choice. Keeping smokers contained in a designated smoking room, where they're not affecting people who choose not to be there—it just seems to make sense to allow the charities to continue.

Mr. Norwich: Just one more thing: The \$125,000 you gave to Variety Village—six weeks from now, the Women's Centre of Hamilton is giving up their bingos. The revenue that they're receiving with the number of bingos they're doing has declined to a point where it is almost costing them money to do bingo. So please keep your thoughts, when you want to hand out money, on the women's group of Hamilton. I'm quite sure that they would appreciate your thoughts.

Ms. Dunsmuir: The designated smoking rooms do contain the smoke. If anyone's been in a bingo hall lately, which apparently you haven't, you'll know that the smokers are contained; the non-smokers have all the common areas. There's very little effect from smoking on the people who choose not to. So it's a choice issue.

The Chair: This round of questioning will go to the government.

Mr. Peter Fonseca (Mississauga East): Thank you, Eileen and Andy, for your presentation. I can say that I have met with a number of the bingos and many bingo patrons to discuss Bill 164.

Bill 164 is about—and I know you've mentioned many groups through the province—protecting 12 million Ontarians from the harmful effects of second-hand smoke in the workplace, be it the bingo hall or any other enclosed workplace or public place. Through that, we want to protect employees, volunteers, patrons and everybody who would enter any establishment from the harmful effects of second-hand smoke.

This is something that we campaigned on, something that we are committed to. We're committed to building a healthy Ontario. The costs of not doing that, outside of the dollar costs of \$1.7 billion in direct health care costs or \$2.6 billion in lost productivity due to tobacco—we could talk about the costs of life. We're losing 16,000

Ontarians to this product every year, and we're losing around 3,000 people to the harmful effects of second-hand smoke. So we're committed to building this healthy Ontario, and this is a giant step toward that.

I have met with all stakeholders, and what we want to do around the province, in terms of the hospitality sector, in terms of venues like your own, is bring a fairness, a level playing field to the entire province.

I got a chance to be down in the Tecumseh-Windsor area. I know that Tecumseh went 100% smoke-free. Their bingo also went smoke-free. Did they lose some of their numbers? Yes, they did lose some of their numbers. They're still going down there, and I got a chance to meet with them. What they ask of me is, "Make sure that you make this a level playing field and bring forward a smoke-free Ontario for the entire province, because we've lost patrons to an imaginary border, really, where people would cross over from Tecumseh into Windsor and go frequent the bingo"—

Mr. Norwich: Sir—

Mr. Fonseca: If I could just finish—"the bingo in Windsor."

Mr. Norwich: I'm just wondering if there is a question.

Mr. Fonseca: The question is, are you for fairness and making sure that there is a level playing field for all in Ontario?

Mr. Norwich: Your legislation does not allow for a level playing field. The casinos, the slot machines—the biggest draw from bingo has been the slot machines; nothing else. When the casinos go non-smoking, do you think for one minute that you're going to maintain the same revenue at a government level? Absolutely not. You are going to lose money as well. The addition that the government has talked about, to revenue—Mr. Sorbara had best go into rehab, because he's going to start losing money for your budget.

1020

Mr. Fonseca: But we'll start saving lives.

Mr. Norwich: Drinking kills too. Is the next step that you're going to stop drinking?

Interruption.

The Chair: Order.

Mr. Fonseca: What the evidence does show is that using tobacco as it's meant to be used kills. We know that that does not happen with other products. Tobacco kills one out of every two users.

Mr. Norwich: Is it your job to tell me what to do? It is a mature choice. People choose to do it, the same as they choose to drink. If they wish to play bingo and socialize in a smoking atmosphere, I don't see—non-smokers are perfectly safe outside of the designated smoking rooms. They have that right. Your legislation does not address the bingo players, of which 70% are smokers. It does not address their pleasures.

Ms. Dunsmuir: I just wanted to mention also, about your idea to keep employees and volunteers safe: They're always given a choice. No one is ever forced to be in the smoking section. It's not a qualifier.

Mr. Fonseca: I'll just let you know that we've heard from various employees that they feel they would be in some way penalized if they did not participate.

Ms. Dunsmuir: Not in our situation. I'm actually a lifelong non-smoker, and I absolutely agree with you that smoking does kill, but you can't tell adults how to save their own lives. Look around. People do dangerous things all the time, and it's not up to the government to save us.

Mr. Norwich: What you are doing today is going to take a generation. Every logical person realizes that. My generation is a lost cause. You may get a few successes. My kids are still open. The 11- and 12-year-olds and down are the ones you should be going after. It is a mature adult decision to go into that smoking room—\$1.7 billion? I agree. This is not an issue of smoking, yes or no; it's an issue of bingo players having the choice.

The Chair: Thank you for your presentation.

Mr. Barrett: On a point of order, Chair: People may be wondering; there's some confusion. At 10 o'clock this morning Reg McGrath, service officer of Branch 164, Royal Canadian Legion, was scheduled to speak. He's home. We just phoned him. He tried to phone the committee yesterday. He's unable to come. I didn't ask him if an alternate could fill in, but he's my dad's cousin. It's family.

My father was the last one to see his brother before he was killed in the Second World War, and the branch in Kinmount is named after his brother. Reg McGrath would have liked to be here. He speaks on behalf of Haldimand county, which was smoke-free, and they defeated the mayor on that issue.

However, with the co-operation of the other parties, I don't know whether or not you did ask for a Legion to testify today.

The Chair: Do you have a point of order, though?

Mr. Barrett: Thank you, Chair. I feel I can speak for my comrade, Reg McGrath, and request that Carl Cowden, Royal Canadian Legion Branch 153, Tillsonburg, fill his spot. I would ask for unanimous consent for some flexibility. We may be bending the rules, but the people have fought for the right for all of us to have a say.

The Chair: As a point of clarification to the committee, Mr. Barrett is asking for unanimous consent for Carl Cowden of Royal Canadian Legion, Branch 153, to take that spot. This particular Legion was on the alternate list, so I give that to the committee for consideration.

All in favour? Agreed.

ROYAL CANADIAN LEGION, BRANCH 153

The Chair: We would ask, therefore, Carl Cowden to come forward, please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Carl Cowden: Thank you, Mr. Chairman, for making this exception. My name is Carl Cowden; it's

Cowden from Belfast. I'm here today representing the Royal Canadian Legion, Branch 153, in Tillsonburg.

We've read all the papers and everything about the information regarding the drive by government at all levels advocating the control of tobacco use in our society. We agree that tobacco consumption does not improve your health. We've heard that many times today. We also agree that governments and interest groups have taken licence on a motherhood issue and have stretched the depiction of the effects of this practice, smoking, out of proportion in many cases. We are not interested, in this submission, in the tactics used by governments and interest groups as they pertain to the general public. We've heard them all; I heard a couple here today. That will be the subject of another day.

We in the Royal Canadian Legion are private clubs. That's what we do. We are governed by the command structure of the Legion, the constitution, the bylaws, and are under the direction of our chain of command. We are a private club. We also have many government regulations that we have to follow regarding the sale of alcohol and a myriad of other things—fire prevention and all that—which makes perfect sense.

Attendance in the Royal Canadian Legion is limited to members and guests. All guests must be signed in by a Legion member. There are some exceptions, where the public is invited to attend some special event. These events are dealt with on an as-needed basis.

Private clubs are the responsibility of the members. The rules of conduct and the financial matters and legal responsibilities are the purview of the members. Despite all of these responsibilities, many private clubs and Legion branches have chosen the no-smoking way to go. The decision was, and is, their decision to make. The government, the municipality and the interest groups should not have anything to say about what we do unless we break the law.

The basis of our presentation is to bring to someone's attention the arrogance of bureaucrats and interest groups who will automatically assume that they have a God-given right to push, pull and employ punitive, punishing tactics in order to achieve their objective. This form of discipline is not what was in the mind of veterans who contributed to the freedom of this country as they were offering their lives for all our sakes.

Thank you.

The Chair: This round of questioning will go to the official opposition.

Mr. Hardeman: Thank you very much, Carl, for the presentation. I think it's very important, this being the time of year when we're celebrating the 60th anniversary of the ending of the Second World War. I know that a lot of our local members are in Europe at the present time to take part in that celebration.

I think you make a very good submission as to the private club issue, and the fact that when we go into the Legion, I can't get in unless you're willing to sign me in. So it's not a public environment in that sense. It's like a home away from home for our veterans.

You mentioned in your presentation that the only time it would be a place open to the public would be when you have functions in the common area, in the hall upstairs at the Legion. Is it your contention that that is where the smoking restrictions, if we're going to have them in the province, should apply, in that part, or should that also be considered as part of your home away from home?

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Mr. Cowden: It's my home away from home. As an example, on Friday nights here we have a Friday night supper. Usually 150 to 200 people show up. We govern the smoking ourselves. Very few people smoke. It's going down and down. It went from 48% 25 years ago to 20% now. We are handling it. But what gets me is that somebody who has nothing to do with us tells us what to do and how to do it.

Mr. Hardeman: I very much appreciate that and I support the issue of—in the Legion itself, in the rooms downstairs. I guess the concern would be then, if you had an amendment to change and exempt the building, how would that be different when I rent it for a wedding, as opposed to renting this special events building?

Mr. Cowden: I don't know. We'd have to judge it as it happens. You can't make regulations for everything. You can for a lot, and they do. I hear lemon meringue pie is out in picnics now.

Mr. Hardeman: Thank you very much for your presentation. I also support your cause for the Royal Canadian Legion.

The Chair: Mr. Barrett has indicated he has a question. We have two minutes.

Mr. Barrett: Thank you, Chair, and Comrade Cowden. I'm a member of the Hugh Allan branch in Port Dover. We have heard testimony each day from the Royal Canadian Legion. There are 500,000 legionnaires across the province, I understand. Yesterday, Legion Branch 210 in Toronto—the legionnaire described how during the Second World War he saw soldiers die with a cigarette in their mouth. They got free cigarettes from the government at that time. Now, for your health, maybe you, sir, are going to have to tell veterans in your Legion to take that cigarette or that cigar out of their mouth. We heard testimony yesterday that that is felt to be disrespectful of veterans. Again, how do you go up to someone who fought in a war, whether it's the Second World War, Korea—or peacekeepers—Vietnam, Iraq, and tell them to take that out? Testimony yesterday essentially indicated—he was pleading, he was proud to fight for his country but he's not proud to tell some poor devil he can't have a cigarette. I just use that quote.

Do you have any further comments, sir?

Mr. Cowden: The only thing that we're interested in is interference, if you will, in an organization that runs itself. What are we going to do now, tell the Knights of Columbus that they can't smoke? Smoking has gone down and down and down, and we will handle it in our own way. I also blame some of the branches in the Legion for docilely accepting municipal rules that said "public places." They didn't make good presentations. To

me, it's a matter of principle, and if they do this I'll fight it till I die.

The Chair: Thank you for your presentation this morning, sir. The time has expired.

Mr. Barrett: On a point of order, Mr. Chair: Further to the testimony we've just heard, I would hope that the government would put forward an amendment to exempt Legions—army, navy, air force—

The Chair: Amendments will be dealt with at the appropriate time. Thank you.

Mr. Barrett: On a point of order, Mr. Chair: When is the appropriate time?

The Chair: Amendments will be put by all parties, I believe, on May 3.

ONTARIO FRUIT AND VEGETABLE GROWERS' ASSOCIATION

The Chair: I now call on the Ontario Fruit and Vegetable Growers' Association to come forward. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purpose of Hansard.

Mr. Harold Schooley: Thank you, Mr. Chairman, ladies and gentlemen. My name is Harold Schooley. I'm the research chair of the Ontario Fruit and Vegetable Growers' Association. This organization represents the interests of 8,000 Ontario horticultural crop producers; I'm talking about edible horticultural crops.

I am an apple producer located just north of the town of Simcoe, where I have operated for the last 30 years. The operation I manage has been in my family producing fruit, and at one time vegetables, since 1906.

I have with me Mr. Denton Hoffman, who is the general manager of the Ontario Ginseng Growers Association and the general manager of the Ontario Asparagus Growers' Marketing Board. Seated back in the audience are a couple of scientists from the University of Guelph, Dr Adam Dale and Dr Alan McKeown, who have assisted me in putting this presentation together.

Bill 164 for a smoke-free Ontario has the potential to have a huge economic impact throughout the province, on health care costs in a positive way, but on the hospitality industry, rural communities and the future of the tobacco industry in a largely negative way. In this presentation, I wish to concentrate on a long-term positive impact the bill could have on the agricultural industry and the rural communities in the Erie basin tobacco belt.

The economy of Ontario, especially that of Norfolk, Brant and Elgin counties, is significantly impacted by the tobacco industry. This once vibrant industry, with 4,500 growers managing 210,000 acres of land producing over 100,000 acres of tobacco, now consists of some 750 to 800 growers producing just 35,000 acres of tobacco on 70,000 acres of land. A further decline is expected. The present acreage contributes over \$150 million to the local economy, which, if lost, would have a significant nega-

tive impact on that economy. But the decline to this level has caused untold hardship on producers, local businesses and on rural communities in general.

As this acreage declined, several government programs were set up to assist in the orderly transition into other crops; I've listed three here, which I won't read. But transition has not been easy. Tobacco farms are not large, and simply replacing tobacco production with corn and soybean production is not a viable option. Tobacco growers exiting the industry seek ways to replace income of at least \$1,000 per acre to remain viable on the land holdings they have. Crops that can provide this income are high-value horticultural crops. However, the acreage of many of these crops is small, and existing growers are presently filling consumer demand. A move by tobacco growers into these crops can cause significant supply imbalances across the whole province, not just in this area. This creates hardship for new and existing growers alike. There are several examples where this has happened already.

However, a horticulture industry that includes former tobacco growers does have a bright future. There are several things to consider.

(1) The Erie basin tobacco belt has the potential to be the largest, most important, most diverse and most innovative fruit and vegetable growing area in Canada. Tobacco growers can take credit for building up the soil of what was once considered almost a desert. Today these soils are some of the most productive in the country. We are blessed with a climate that allows production of a large variety of fruits, vegetables and herbs. Where else in Canada do they grow sweet potatoes and peanuts alongside tobacco—all southern crops?

Farms here have access to abundant water for irrigation and have irrigation equipment, greenhouses, drying barns and the local businesses selling and servicing this equipment. Farmers in this region have labour bunkhouses and experience in managing the large labour crews required for most horticultural and specialty crops.

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(2) We have the ability to grow right here, using Canadian rules and regulations around such issues as food safety, worker welfare, pest control products and environmental stewardship, produce that could replace imports from countries where we have no such control. Furthermore, export opportunities abound, as we are a day's drive from half the population of North America and can readily deliver to markets ranging from Chicago to Toronto to New York City.

(3) Premier Dalton McGuinty has spoken about the 800-pound gorilla on his back called health care costs. What is now called diabetes is the fastest-growing health concern for Canadians. Increasing the consumption of fruits and vegetables has been proven to alleviate health problems ranging from diabetes to heart disease to cancer. Health-conscious eating has come into vogue, but it needs to become the norm. You have all heard the catchphrase, "You are what you eat." It's now more appropriate to say, "Horticulture is health."

(4) Our ethnically diverse, more health-conscious population has created opportunities for horticultural crop producers. The market for value-added and niche-market horticultural products is growing. This is expanding the demand for value-added products of fresh and processed horticultural crops, for specialty crops like herbs and essential oils and for non-traditional crops that supply expanding ethnic communities. It has also created a demand for fresh market season extension, for storage and packaging technologies and for value-added technologies.

(5) Some of the value adding happens here, but much of it goes outside the region. Denton brought to my attention this case in point: The world's largest production of ginseng is centred right here in the tobacco belt, but raw product is shipped to Saskatoon for processing and on to I think Calgary or Edmonton for packaging, in the package he's showing you, to produce the new, clinically studied—10 years of clinical studies—cold remedy on the shelf called Cold-fX. I've brought another example I picked up at the McDonald's in Simcoe this morning: apple slices. These are Empire apples grown in Norfolk county that are sliced in Burlington and put into McDonald's stores across the country. Value adding is happening outside the area. There is room for industries here that we have not even considered. Recently, a processor in Saskatchewan requested a supplier for 200,000 tons of dried rosemary annually. Rosemary oil extracted from this is used as an antibacterial agent. A recent request came from Europe for two container loads of oil from Styrian pumpkin seeds. There is no production here for either of these crops.

Last year, Norfolk county commissioned a report called Norfolk at the Crossroads: Directions for a Prosperous Future in Norfolk County, prepared by TACT, the Team Advising on the Crisis in Tobacco. If members of the finance committee are not aware of the report, I am sure that staff in the office of the honourable member for Haldimand-Norfolk-Brant can see that you get copies. This report gave a balanced view of what would be needed to maintain the economy of the area. One recommendation from this report states:

"An agri-food innovation centre to be established in Norfolk will greatly enhance the capacity of the local industry to capture new and expanded markets for horticultural products. It would also provide opportunities to add value to farm products, thereby increasing local jobs and profits. The University of Guelph will play a leadership role to coordinate research efforts and transfer knowledge to producers, processors and others in the value chain. Several other partners will be integral to the success of this venture."

Earlier this year, Minister of Agriculture Steve Peters announced \$50,000 in funding to develop a business case for this agricultural innovation centre and, as I speak, a team of consultants is working toward that end.

The role of this agricultural innovation centre is to research and develop the technologies for new crops, value-added technologies for new and existing crops, and

to provide the marketing and promotion assistance for horticultural crop opportunities. It will also serve as a focus centre for the cluster of businesses and industries that might arise from such activities.

The University of Guelph operates a horticulture research station just outside Simcoe that concentrates on horticultural crops. Applied research carried out here has led to a number of successes, including significant industry expansion in strawberries, strawberry plant production—we have two of the largest suppliers of strawberry plants in Canada; of course, these plants go to Florida—raspberries, sweet potatoes, cabbage and cucumbers.

The Simcoe research station is an ideal location for the proposed agricultural innovation centre. It already has suitable facilities. It already houses agricultural research scientists, Ministry of Agriculture and Food crop extension specialists, and Ontario Ministry of Natural Resources and Canadian Food Inspection Agency personnel. Sadly, a number of research and extension offices sit empty at this time due to past budget cuts. Research greenhouses sit unused and laboratories are underutilized.

The agricultural innovation centre, fully staffed with research and extension personnel, grower organizations, funding agencies and other associated entities, has the potential to rejuvenate and expand Erie basin horticulture for new entrants from the tobacco industry. This horticultural cluster would be a catalyst for horticultural diversification in the Erie basin and throughout the province. It would provide a nucleus of research and expertise, which in the long term would lead to the development of new crops, new technologies, new industries, and wealth and jobs for our rural communities.

Horticultural products are the mainstays of a healthy diet, and much research has highlighted this. The thrust of Bill 164 is to improve the health of Ontarians. The impact of this bill on the tobacco belt could be devastating. A vibrant, innovative horticulture industry can address both of these issues.

I would request that the finance committee consider providing adequate separate funding for an agricultural innovation centre.

Thank you for the opportunity.

The Chair: Thank you. This round of questioning will go to the NDP.

Ms. Martel: Thank you, Mr. Schooley, for the presentation before the committee today. I appreciate being given the information with respect to the innovation centre and where it is at this point, and I think the committee will follow up on that. Do you know, sir, if this were to go forward, does the ministry intend to fund it out of the \$50-million transition fund that the Minister of Agriculture has announced for farm communities?

Mr. Schooley: That I don't know. We're asking for extra funding to bring this forward.

Ms. Martel: Outside of that envelope.

Let me ask you this. We have a crisis on our hands now. It's not clear to me that \$50 million is going to do

the trick; I think it's not what is going to be required. You've put forward a proposal for the committee and, frankly, the community to consider, and I think it's a very worthy one. My concern is, is it enough and will it be in time? I'm not trying to put you on the spot, but as I said earlier, part of my focus when I spoke about this bill was on farm families, those involved in tobacco production, and the crisis they're facing now. The industry is clearly in decline, and that's going to continue with or without this bill, frankly. What are we doing, though, in a really concerted way, to deal with that head on?

Mr. Schooley: We heard the lady from the Belgian hall talk about not feeling good about getting into other crops and displacing their income or her neighbour's. This is already happening. How long does it take to start talking about horticulture products for health? We can increase the demand for horticultural products right away. We are in the best producing area in Canada to produce these things right here. We could have the most innovative fruit and vegetable area in Canada right here in the tobacco belt. There are lots of opportunities and there are lots of markets around us. Why don't we start talking about this?

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Ms. Martel: You've talked about the study being under way. Where are you at this point to be able to offer, for example, folks who are trying to exit the market now? They've come to the conclusion that they've got to go now. Hopefully, there'll be some money from the government, out of the \$50 million, to help them now. Are you in a position as an entity to offer them some assistance to move to something else?

Secondly, it's to move to something where they're not going to have a contract taken away from them two or three years down the road, when a major food chain decides they'd rather import something from somewhere else because it seems to be cheaper. That's the second concern I have.

Mr. Schooley: Well, I don't think we should stop producing here because imports are competing with us. I mean, we have to keep competing. We do need some help competing. We do need some help in research. There are crops we can move into at the present time that don't need immediate research, but if you start getting into innovative products or value-added products, then you do need research. That's the purpose of this innovation centre, I guess: to start looking at innovative measures to handle this. That takes research. You don't just jump into these things.

Ms. Martel: You've talked about some of the other programs that are supposed to assist people to transition to other crops. I wouldn't even pretend to know how successful they are or aren't. I don't know that answer; you might. If someone who is a tobacco farmer today has made the decision that they're going to get into something else, what systems are in place to help them do that and to make a choice to produce something else that's, first, going to meet their costs and, second, that's not going to put them into a position where they have a con-

tract and someone else decides, after they've already planted the crop, that they're going to cancel that contract because it's cheaper for them to import from somewhere else? What supports are in place for people to make those choices now?

Mr. Schooley: I guess you'd have to talk to a tobacco grower about that. That's not my area.

Ms. Martel: But can they go to you at this point? Really, this facility is not up and running. It's a very good idea; I'm not trying to undermine it. But we've got people in a position now that they're going to be making choices. Who do they go to see to say, "What is a viable choice for me to transition into?"

Mr. Schooley: The facility is up and running. It's the research station in Simcoe. It has scientists and extension people there. I'm saying we should add to it, because there's room for growth.

The Chair: Thank you for your presentation.

Mr. Hardeman: On a point of order, Mr. Chairman, just to advise me on the appropriate way to deal with this. This presentation makes a recommendation that the committee recommend separate funding for the research. I'm wondering about the approach, recognizing that this is the finance committee but that the requirement for spending would have to come through the Ministry of Agriculture. I wonder if it would be appropriate for this committee to put forward a resolution recommending to the Minister of Agriculture that this approach be taken, that we fund this research from here as opposed to waiting till the end of the hearing process. Of course we're dealing with the Smoke-Free Ontario Act rather than the agriculture part here. It seems to me that this presentation is suggesting some great solutions to the problems that the community has been saying will be created with this bill.

The Chair: Perhaps, Mr. Hardeman, you could verify your motion.

Mr. Hardeman: I would like to move that this committee endorse the recommendation that the Minister of Finance be requested to put forward separate funding to help with the development of the research station for more innovative approaches to the horticultural industry.

The Chair: Further debate?

Mrs. Carol Mitchell (Huron-Bruce): First, Chair, are you looking for a seconder for the motion?

The Chair: No, he's put the motion.

Mrs. Mitchell: And the motion was?

Mr. Hardeman: I haven't written it out, because I needed to know if it was appropriate to present the motion. The motion is to support the recommendation of the presenters that this committee supports notifying the Minister of Finance that we recommend that a separate program be put in place to expand the Simcoe research station to deal with the increased possibilities of the horticultural industry to help alleviate the problems of our tobacco industry in the coming months.

The Chair: As I understand it, you would have that written to the Minister of Agriculture?

Mr. Hardeman: Yes.

The Chair: Further comment?

Mrs. Mitchell: Just a question, if I could. The committee would be giving direction to the Minister of Agriculture and Food?

The Chair: It's a motion of suggestion.

Mr. Hardeman: Yes, recommending that he give that consideration.

The Chair: Mr. Barrett?

Mr. Barrett: Further to that, if we don't need a seconder, I second it anyway. Again, I remind all present, this is the finance committee. We do deal with issues like this: allocation of money, the upcoming budget; as a finance committee we deal with taxation. Further to that, there may be some confusion. I think I heard someone mention that \$50 million was allocated for transition—

The Chair: Speak to the motion, please.

Mr. Barrett: Further to this, in the call for additional funding, it's not \$50 million; it's \$15 million that goes into the community development fund, and \$35 million goes to tobacco farmers for transition into the future. Fifteen million has been allocated. The member indicated that that may not be enough, given the potential for Ontario's economy.

The Chair: I just want to say that in the interest of persons who are waiting to present, we can deal with this now, but we could also deal with the motion at the timeout, if it's the desire of the mover. Further debate?

Mrs. Mitchell: As I am the parliamentary assistant the Minister of Agriculture and Food, I will certainly take forward your report. I'll speak to the minister specifically on this, as well as the other reports that come up with regard to the transition of tobacco. All of this will be going forward to the Minister of Agriculture and Food.

The Chair: Ms. Martel, further debate?

Ms. Martel: I support Mr. Hardeman's motion.

The Chair: Are we ready for the vote? All in favour? Carried.

Thank you for your presentation.

Mr. Schooley: One comment, if I might: There's wisdom in the old adage that if you give a man a fish, you feed him for a day, and if you teach a man to fish, you feed him for a lifetime.

NOT TO KIDS! COALITION

The Chair: I call on the Not to Kids! Coalition to please come forward. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Ms. Lidija Halovanic: Good morning, Mr. Chair and honourable members. My name is Lidija Halovanic. I'm a tobacco enforcement officer and a public health promoter with the Perth district health unit. However, I am here today as a representative of the Not to Kids! Coalition.

The Not to Kids! Coalition commends the Legislative Assembly of Ontario in revising the Tobacco Control Act and strongly supports the passage of Bill 164.

The Not to Kids! Coalition is a partnership of 24 Ontario public health agencies working together to prevent youth access to tobacco products through education, enforcement, social marketing and the development of local partnerships. Not to Kids! Coalition believes that the reduction of youth access to tobacco products through both retail and social sources is a critical component of an overall youth tobacco control strategy. The premise of this strategy is that tobacco use can be decreased if commercial and social sources of tobacco are unavailable to youth.

When the Tobacco Control Act was passed a decade ago, it broke new ground in tobacco control. Social norms began to shift and the rates of tobacco use among 11- to 19-year-olds started to show a slight downward trend. However, according to the Canadian tobacco use monitoring survey data 2002, the smoking rate in Ontario was 18.8% for youth 15 to 19 years of age. The Ontario student drug use survey 2003 data indicated that 19.2% of students in Grade 7 to OAC used cigarettes. Therefore, there are approximately 200,000 adolescent smokers within the Not to Kids! communities. More alarming is that 32% of these young smokers will ultimately die prematurely because of their tobacco use. This is unacceptable.

Youth continue to become addicted to tobacco in large part because our society continues to tolerate tobacco use among youth. For Ontario to truly regain the lead in tobacco control and effectively reduce youth access to tobacco products use among youth, it is essential that the following provisions under Bill 164 be addressed: first, the need to protect youth from all point-of-sale advertising by prohibiting tobacco promotion at all points of purchase, with no exceptions, including retail displays such as power walls; the need to ban the marketing and sale of smokeless tobacco in Ontario; the need to ensure that the powers of prohibition be given to the medical officers of health of each public health unit.

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Point-of-sale advertising: The members of the Not to Kids! Coalition believe that in order for Bill 164 to be truly effective in preventing tobacco use among youth, there must be a complete ban, with no exceptions, on point-of-sale promotions, including behind-the-counter displays known as power walls.

A key component of any comprehensive tobacco control strategy includes denormalization of the industry and its products. Retail display bans help to denormalize tobacco use, because such bans remove tobacco products from one of the industry's most coveted advertising placements: point-of-sale displays that are in plain view of children and adults.

Although tobacco advertising and sponsorship have been banned since October 1, 2003, the tobacco industry spent over \$88 million for displays, power walls and other point-of-purchase incentives at the retailer level to market their deadly product. It is our duty as a community to protect our children from exposure to promotion, which in turn will reduce youth access to tobacco products.

There is overwhelming evidence that tobacco advertising and promotion, including point-of-sale displays such as power walls, increases overall tobacco consumption. Research on primary school students reporting at least weekly visits to grocery and convenience stores in California showed that such visits were associated with a 50% increase in the odds of ever smoking.

The tobacco industry is more interested in promoting its products to teens than to adults, as most adult smokers display brand loyalty. In addition, despite the addictiveness of tobacco, more than 60% of tobacco purchases are impulse buys, including occasional smokers, adolescent smokers and those trying to quit. By banning all tobacco displays, including power walls, youth will have less access to tobacco and a tendency to purchase tobacco through impulse buying.

A complete retail display ban, with no exceptions, will also assist in the enforcement of and compliance with tobacco-sales-to-minors legislation. In a review conducted by Joseph DiFranza, evidence suggested that sustained compliance has a direct impact on reducing the number of youth who smoke and that a ban on such advertising and promotion would help to decrease youth consumption of tobacco products.

Smokeless tobacco: The Not to Kids! Coalition believes that the sale and supply of smokeless tobacco should be addressed within the proposed legislative framework of Bill 164 such that the bill completely bans the sale and supply of this product. Smokeless tobacco, like cigarettes, contributes to morbidity and mortality in Ontario. More specifically, smokeless tobacco contributes to oral cancer and may exacerbate existing underlying illnesses associated with cardiovascular disease.

Evidence from Sweden indicates that smokeless tobacco is used as a substitute for smoking and smoking cessation. Therefore, as Bill 164 restricts the number of venues where individuals can smoke, it is reasonable to conclude that there may be an increase in the utilization of smokeless tobacco. The substitution of smokeless tobacco for tobacco cessation will impede the tobacco control efforts put forward by this government. Currently, less than 1% of Canadian adults use smokeless tobacco. However, anecdotal evidence from public health agencies across Ontario identifies an increased use of smokeless tobacco among young people in this province.

In addition, in 1999 an expert panel reviewing tobacco control in Ontario indicated that banning smokeless tobacco would mean an elimination of one of the gateways to nicotine addiction. As there is no significant market for smokeless tobacco in Ontario and as smokeless tobacco products are manufactured outside of Canada, there would be very limited negative economic impact from banning this product in Ontario.

The provincial government has the opportunity to build upon tobacco control efforts in Ontario and, more importantly, further reduce the morbidity and mortality related to tobacco use. It is for this reason the Not to Kids! Coalition urges the provincial government to com-

pletely ban the sale and supply of smokeless tobacco within the proposed legislative framework of Bill 164.

Prohibition orders from local medical officers of health: Currently, the Minister of Health and Long-Term Care issues prohibition orders. To make Bill 164 stronger and more effective, the Not to Kids! Coalition believes that the powers of prohibition should be given to the medical officer of health of local public health agencies.

The existing provisions related to prohibition under the Tobacco Control Act make prohibition orders a lengthy and difficult process. From past experience, retailers who were charged and convicted of selling tobacco to an underage youth simply transfer ownership or sell the premises to a family member or relative, often rendering the conviction under the Tobacco Control Act void, as it's not carried over to the new owner. To prevent these occurrences from happening, we are recommending the following:

- upon the second conviction, the medical officer of health of the local public health agency would be able to issue an immediate prohibition and seize any and all tobacco from the premises after expiry of the appeal process;

- shorten the duration of the appeal process to a period of no more than 30 days after the second conviction has been registered;

- increase the minimum length of prohibition periods.

We wish to thank you for your consideration of these proposed amendments to Bill 164. By incorporating these amendments into the bill, the Not to Kids! Coalition believes it will strengthen its impact in reducing youth access to tobacco products. Thank you.

The Chair: This round of questioning will go to the government.

Mr. Fonseca: Thank you so much, Lidija, for your presentation and for bringing up some of the various pieces of this legislation. It is legislation that was to be multi-pronged, and is multi-pronged, as we work toward a smoke-free Ontario and the denormalization.

Having worked in enforcement, maybe you can share with us some of your anecdotal stories around the practices you've seen in municipalities where different establishments have circumvented the law through loopholes that you would like to see closed.

Ms. Halovanic: As a tobacco enforcement officer, I personally have never had to issue a prohibition, although we'll wait and see how compliance and enforcement orders go this year. I think I may be very close to issuing a number of them. However, anecdotal experiences with fellow tobacco enforcement officers within the Not to Kids! Coalition—they have expressed concern that because of the length of time it takes to get a prohibition issued, there is the opportunity for the owner to transfer the ownership to a family member prior to the conviction being registered, and therefore the premise comes in with a clean slate, where the conviction is not registered with them.

Mr. Fonseca: And then they would continue to sell within that establishment?

Ms. Halovanic: That is correct. It's typically the establishments that are known to public health agencies and tobacco enforcement officers to be chronic and repeat offenders that tend to invoke this practice.

Mr. Fonseca: So this is a practice that you see ongoing right now.

Ms. Halovanic: This is a practice that has occurred in the past and is occurring presently, so we would like to see this loophole closed.

Mr. Fonseca: The minister knows, and we all know, that if the industry is not able to capture our youth and get them addicted to this very addictive, harmful product, they won't start smoking if they're past 20-some-odd years of age or 30 or 40. Very few people start to smoke in their 30s or 40s or 50s. Within this legislation, a number of pieces will help in that denormalization and enforcement in stopping youth from starting: "no person shall sell or supply tobacco to a person who appears to be less than 25 years" of age now.

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Another part in the legislation is that "no person shall employ or authorize anyone to promote tobacco or the sale of tobacco at any place of entertainment that the person owns" or operates. They're known as tobacco girls. We've seen this in different entertainment venues, where you'll have tobacco girls employed by big tobacco who will be promoting the product to—they're kind of past youth, so young adults. Inhibitions may be down at 11 or 12 midnight and they may be in a bar, and they would be promoting that product. Do you see that as a good piece to denormalize the product and stop somebody from starting to smoke?

Ms. Halovanic: Definitely. If we can eliminate those types of venues that are more of advertising to social behaviours, I think it would definitely help in that specific target audience, which is the post-secondary; they're colleges and universities. We commend the government for taking them into consideration.

Mr. Fonseca: Around the smokeless tobacco, I don't know if this product is still available, but when I was a kid there used to be chewing gum you could buy that came in the form of smokeless tobacco. Talk about some of the practices that big tobacco puts out there in terms of fake cigarettes and other products that come in candy form, promoted to kids to normalize the product so they would start. Do you know if those are still available out there, some of those types of candy?

Ms. Halovanic: I can tell you from personal experience, just last month I was out with my two children, four and five years of age; we were among other children their age, and yes, they did have the Popeye cigarettes. It was actually very surprising to me that they're still out there and that little children as young as mine can still access that product. For me, it's very concerning, being a mother of two and also a former smoker. That's why the Not to Kids! Coalition would like to see a complete ban, with no exceptions, with respect to the power walls.

The Chair: Thank you for your presentation.

COUNCIL FOR A TOBACCO-FREE BRANT

The Chair: I call on the Council for a Tobacco-Free Brant. Could you come forward, please? Good morning. You have 10 minutes for your presentation, and there may be up to five minutes of questioning following that. I'd ask you to identify yourself for the purposes of Hansard. You may begin.

Ms. Karen Kuzmich: My name is Karen Kuzmich, and I'm the chair of the Council for a Tobacco-Free Brant. I would like to thank the standing committee on finance and economic affairs for the opportunity to present today.

To begin, I'd like to explain that the Council for a Tobacco-Free Brant is a group of health-focused organizations and community volunteers that support and advocate for smoke-free public spaces, provide information on smoking cessation to those who want to quit, and work to prevent youth from starting to smoke. It's this third objective, preventing youth from starting to smoke, that I'm going to focus my comments on today.

As the chair of CTFB and also as the mother of two children under the age of 11, I am pleased to be here today to acknowledge our support for the intent of the proposed Smoke-free Ontario Act, which would make all workplaces and public spaces in Ontario 100% smoke-free.

The provincial smoke-free legislation is an important part in protecting Ontario residents from the known hazards of exposure to second-hand tobacco smoke. This issue is more than a simple matter of individual choice. Exposure to second-hand smoke is a question of public health. Thus, we support the Minister of Health, George Smitherman, and this legislation, which is a key component of tobacco control.

Provincial legislation will strengthen the protection afforded by the Brantford clean air bylaw, as well as bring additional protection to the county of Brant, which does not currently have any smoke-free bylaw in place.

I think it is significant to note that 37% of deaths in Brant county were attributable to smoking in 2001 alone. In January of last year, a statistically sound public opinion survey was conducted in Brant county, and it showed that 82% of Brant county residents support smoke-free public places.

While most Ontarians today live in a municipality with a 100% smoke-free bar and restaurant bylaw, many bylaws contain exceptions and exemptions such as the DSRs, or designated smoking rooms, which endanger workers and the general public. The city of Brantford, where I live, is one example of a municipality that allows establishments to have DSRs if they can financially and logistically afford to have them built.

Last year, I dined with my family in a Brantford restaurant that had a DSR. Sadly, cigarette smoke was visible in and near the DSR and could be smelled in the non-smoking area, where we ate. Of course, the gases and other chemicals that are not seen or smelled were also present in the air we were breathing. Needless to

say, we have not returned to that restaurant and choose, for our sport team celebrations and other outings, to go to facilities that are 100% smoke-free.

I and many other Ontarians make the decision to take our business elsewhere because there is no safe level of exposure to second-hand smoke set anywhere in the world and therefore no way to fully protect those using, working in or dining in or near those DSRs. Many proprietors, as we heard just recently, might leave the doors open, turn ventilation systems off to save electricity or have workers working in those areas. But very obviously, the way second-hand smoke infiltrates the entire facility is by staff and patrons having to go in and out of that room.

There is only one way to eliminate second-hand smoke from indoor air: remove the source. Thus, CTFB supports equal protection for all workers and members of the public and a level playing field for all workers and businesses. This will lead to fairer competition, once all businesses are operating under the same rules, as long as DSRs are not allowed.

We know from local research conducted with Brant, Haldimand and Norfolk students that by grade 7, 16% of students have smoked at least one puff of a cigarette in their lifetime. Other research tells us that as little as two cigarettes can have some people hooked by the powerful addictiveness of nicotine. Also from this local research, we know that by grade 11, 17% of Brant, Haldimand and Norfolk students were current smokers. This is very concerning to us.

Since most smokers start before the age of 18, the Council for a Tobacco-Free Brant has been working to give youth information about tobacco industry tactics that target youth into believing that smoking is the norm, that it is linked with positive social and economic outcomes, which of course it is not. We want young people to know the truth about this industry so they can make good choices where their health and well-being are concerned. And 100% smoke-free legislation will help prevent youth from starting to smoke, because it will reinforce that the social norm is non-smoking and will reflect that the majority of people are non-smokers.

The cigarette manufacturers, however, know that youth are a key source of long-term revenue and sustainability for their industry. Thus, they spend millions of dollars annually in Canada reaching youth in very clever ways, such as special events, branding, producing specialized cigarettes and retail displays in variety and convenience stores. Every day, thousands of our youth get messages from these retail displays that cigarettes are normal, popular consumer products like candy and gum. However, unlike candy and gum, cigarettes kill one in two of their long-term users. We should not be giving our kids the impression that cigarettes are like other consumer products.

These power walls that retailers are paid to have overstate, by their size, their prominence and the amount of stock that retailers need to keep on hand, that tobacco use is this common. Ultimately, these walls are a deceptive

form of advertising for big tobacco. This fact was clearly demonstrated to me and another council member just last night. We had the privilege of presenting to over 50 youth aged 11 to 17 at a Brantford recreation centre. We asked the kids, "How many of you go into a variety store once a week?" and about half of them put up their hands. Then we said, "How many of you go into a variety store more than once a week?" and I'd say at least 90% put up their hands. So they're in the convenience stores a lot. We asked them, "What percentage of your peers do you think smoke?" We heard these answers: 45%, 75%, 80%. It's obvious that the billions of dollars that are spent each year on advertising and promotion by the tobacco industry is reaching our youth.

Retail display bans would remove tobacco products from one of the industry's most lucrative advertising placements: point-of-sale displays that are in plain view of children and adults. There is evidence that tobacco advertising and promotion, including these point-of-sale displays, increases overall tobacco consumption, particularly through impulse buying, which is especially destructive to former smokers who have quit.

With my own children, I have been amazed by how aware they are of these ads and these smoking displays. The colour, placement, graphics and complementary branding tactics that young adults are exposed to are no coincidence. While the government bill addresses the issue of power walls, it allows for regulations that could ultimately leave some displays in retail spaces.

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CTFB's work with youth is encouraging and inspiring. However, there is no competing with the \$88 million spent in one year in Ontario alone by the tobacco industry on this point-of-sale advertising. The Smoke-Free Ontario Act has the potential to keep our children and youth from being the targets of this manipulative marketing, so we strongly encourage the government to ban all point-of-sale promotions of tobacco products in Bill 164, without exceptions.

In conclusion, I'd like to say that Ontario's smoke-free legislation would be welcomed also for the consistency it would bring to municipalities that currently have different bylaws in place, which is the case in Brant county. It creates confusion, disappointment and even annoyance for visitors from other communities who are looking for smoke-free facilities for dining, recreation and entertainment.

In conclusion, CTFB strongly supports the intent of the proposed Smoke-Free Ontario Act to make all workplaces and public places in Ontario 100% smoke-free and eliminate all DSRs in hospitality premises as of May 31, 2006.

We urge you to protect youth from tobacco advertising by prohibiting tobacco promotion at all points of purchase, with no exceptions, including retail displays such as power walls.

Thank you for your time and attention.

The Chair: Thank you. The next round of questioning goes to the official opposition.

Mr. Hardeman: Thank you very much for the presentation. There are a couple of questions that come up, at least in my mind, from time to time. I just want to say that I support the principle of reducing smoking in our society. That's a laudable goal, and I appreciate the work you do as an organization to promote that cause.

I have a little problem, as we introduce this legislation—I think you mentioned that there's a patchwork of municipal bylaws in place, where they have different rules and different approaches. I guess I'm concerned about those approaches, where the city of Toronto passed smoking bylaws that allow the designated smoking areas. Last year or two years ago, when they passed that law, they told all these people, "If you put in completely separate smoking rooms, you can allow patrons to go in there and smoke." All the information that's available now was available then, but society decided it was OK to tell these folks to build them.

Obviously, you can't construct those in three weeks or pay for them in three weeks; it's a long-term investment for all the folks who did that. Society—we, the people—told them that was the right thing to do. Now we say, "Tough luck. You shouldn't have invested your money, because we're not going to allow that any more." Don't you think that we as a society have some responsibility to say, "We were wrong—we shouldn't have had that type of rule in place—so you should be compensated for that"? Don't you think it should be part of a fair and just society that it be included, that as we regulate more strongly, we compensate those being negatively impacted?

Ms. Kuzmich: I think it's unfortunate if, at the time, the city of Toronto councillors chose to listen to that sort of messaging. When we were advocating in the city of Brantford, we were very clear that DSRs do not work, do not provide an ultimate level of protection to workers. We cautioned people. We said, "You know what? We have a sunset clause in our bylaw that if you choose to build a DSR, we know there is some provincial legislation likely coming down the pipe. You may be out money or out-of-pocket expenses for taking that risk." It was a risk that the business people chose to make. I'm sure that information was available to the city of Toronto at the time they were making that proposal.

If there is an obligation, as you said, to compensate those businesses, that's an economic decision that's yours to make, which I think would set a precedent to other businesses that might say, "Hey, why don't you help compensate us for changes or improvements we made to our business that are now redundant or not allowed?" That could be a costly precedent.

Mr. Hardeman: You mentioned speaking last evening to a group of young people about not smoking and the numbers, that 75% think their peers smoke. Have you ever tried that same question with alcohol, knowing that it's illegal for them to have it, knowing the restrictions we have on that? Is it reasonable to assume—I have young people in my home—that they would assume their

peers are all consuming? Was that number surprising to you?

Ms. Kuzmich: Yes, that same local research did ask questions about alcohol use. However, the issue of second-hand drinking doesn't exist. My drinking or somebody else's drinking does not affect your health.

Mr. Hardeman: I'm not trying to imply a connection between the two. I'm just wondering about the accuracy of the premise that "my peers are doing it," and whether that would be the same in alcohol as in smoking. When they say that 75% think their peers smoke, that same 75% didn't smoke themselves.

Ms. Kuzmich: Obviously not, because we know that only 19% of them actually do smoke, but they have the impression that so many more are smoking. Because they're very familiar with the branding and they see it everywhere they go, they think it's the norm. We know kids like to be popular or do what they think is the norm, so that's why it's concerning to us that they have the impression that it is so common. I'm not aware of what they would say when asked about alcohol consumption among their peers.

The Chair: Thank you for your presentation.

PUB AND BAR COALITION OF CANADA

The Chair: I call on the Pub and Bar Coalition of Canada to come forward, please. Good morning. You have 10 minutes for your presentation, and there may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Randy Hughes: Thank you, Mr. Chairman, for giving me the opportunity to address the committee. My name is Randy Hughes. Today I am speaking to you as a former pub owner, a personal bankrupt and a member of the Pub and Bar Coalition of Canada. Our coalition represents the segment of the hospitality industry that has been most affected by the rollout of municipal bylaws across the province.

We have been there every step of the way, following the evolution of around 250 bylaws, documenting changes from bylaw to bylaw, following court proceedings for our members and monitoring the heavy enforcement on the pub and bar sector. Unfortunately, in my time allotment today, I will not be able to concentrate on all the issues, but I hope you will come away with the sense that many small business people are fighting for their lives.

If Bill 164 is an attempt to standardize these municipal bylaws or close loopholes, as Mr. Smitherman has suggested, then it is important for this committee and the government to try and understand what has happened, what could happen, and to act responsibly to prevent further damage to an industry that is already in crisis.

First, let's concentrate on what has happened. You've heard from many agencies that report inconsistencies regarding the economics of smoking bans. Oftentimes, statistics and figures are presented in a manner that does not reflect the true impact that bans are having. Advo-

cacy has oftentimes won over economics, because the economics will take 18 to 24 months to come to fruition in areas where bans are implemented. Bureaucrats of health departments across the province are aware of and know that these laws have been damaging to part of the hospitality sector, yet no provisions have been made to compromise or compensate owners for millions in losses.

For example, an article published in the *Journal of Public Sector Management* by Dr. Robert Cushman, Ottawa's medical officer of health, states, "In Ottawa, it will obviously be quite some time before we can persuade a majority of smokers to support the bylaws, but we should get there in the next few years." This evidence, along with the hard numbers which I will present later, supports a long-lasting downward spiral caused by these bans. The doctor goes on in his report to admit that certain sectors of the hospitality sector are drastically affected. I'll be handing in this material with my written submission, if you'd like to review it later.

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From page 2 of his article: "Obviously, for taverns and coffee houses where people go only to smoke, the impact is negative." To us, this would also suggest that Dr. Cushman, an advocate for the health industry, knows the economic impact and the lasting effect these laws are having on the hospitality industry. Although he does go on to say that the economic impact should be neutral or positive over the entire industry, we cannot find the materials or the studies to back his claims.

In a KPMG study conducted in 2002, the conclusion reads: "It appears that bars and pubs have experienced a more difficult year than restaurants. Some of this clearly relates to changes in high technology and the decline in tourism. However, we cannot rule out that other factors, including changing customer preferences and the smoke-free bylaw, may have impacted establishments in particular niches."

This KPMG study was commissioned by the city of Ottawa, which promised owners that a series of studies would be conducted over a period of three years, with a concluding study from the Conference Board of Canada. We can see why they stopped where they did.

Pubco picked up from there. We were able to continue following the market by using Ministry of Finance data and access to information. We have produced two studies.

The first was conducted by Geospace Research and uses qualitative and quantitative results to follow the market in Ottawa. While it shows a marginal gain in only the Byward Market, when you add in inflation and look at the areas west and south of downtown, the losses are significant.

The second study is an econometric model, using regression analysis to show where the markets of Kitchener, London, Kingston and Ottawa have been affected, taking into account market variables. The results are staggering: Ottawa is down 23.5%, Kitchener is down 20.4%, Kingston is down 24.3% and London is down 18.7%. This study measured actual sales and revenue

data from the Ministry of Finance. It compares pre- and post-implementation of smoking bans, and it includes data of overall economic trends. It was authored by Dr. Michael Evans, former professor of economics at the Kellogg School of Management, Northwestern University. The author is a former consultant to the US finance committee, the US Environmental Protection Agency, the National Aeronautics and Space Administration, and the US Treasury. He has recently been accepted as an expert witness by the Ontario Superior Court.

The report has been verified by Wade Cook, Ph.D., associate dean of research at the Schulich School of Business. This is what he says: "Overall, the study makes a convincing and defensible case that smoking bans have had a negative impact on the pub and bar industry."

So there's a convincing side to the economics—a distinct decline that the government cannot ignore.

To really understand what has gone on, we must be able to eliminate studies that do not produce the raw data but seem to get all the publicity. We must be able to eliminate material which paints a picture by clouding the issue. For example, a list of openings and closings that includes fast food outlets does not speak to what we are speaking to today. In Ottawa, there are several empty buildings that cannot be hidden. If we include the closure of two Denny's, a Hooters and a Casey's in the last month, I think that kind of activity shows the magnitude of what we are talking about.

So where does Pubco stand, and what should be done to find the medium that balances economics and health?

Pubco is in full support of the motion raised by the CRFA. We had the opportunity to sit in on the WSIB round table discussions that were held in Toronto that produced some common sense solutions that have been used in other jurisdictions, such as British Columbia.

Obviously, for at least 700 operators in Ontario who have made the financial commitment to create healthy working environments, there will be great hardship if these rooms are removed. It's not only the investment that we should look at, though. It is the fact that this is a reasonable solution and a compromise that accomplishes the exact feat that the health department set out to do: to protect the employees, who will never be forced to enter a ventilated smoking area.

Pubco is also in support of the bingo operators. We understand that the decline in charities will only be magnified by the cutbacks to team sponsorships and community fundraising that will happen as a result of the downturn in pub and bar sales.

Pubco is in support of our veterans, the largest private club in Ontario, as recognized by the courts. In Ottawa, the Montgomery branch provides a DSR for their members. Across the street, the Dominion Command refuses to provide the leadership to bring our veterans together. Instead, we see several branches here fending for themselves.

So we can see the importance of DSRs to the economic well-being of industry, but before I go I must talk

about another issue that has come to the forefront in Bill 164. This issue is highlighted by 16 owners in Kingston who have been faced with the banning of smoking on outdoor terraces. These owners have recently had to go back to their council and ask for amendments to remove that part of the ban, which is crushing their businesses. Will they be successful? I don't know, but there is an attempt at the wording in Bill 164 that will certainly open the door for interpretation that the government is already moving toward controlling smoking on outdoor patios. Our concerns are mirrored by our members in the some 230 municipalities in Ontario that have chosen to exempt patios in their legislation. Bill 164 fails to do that.

Ms. Matthews, MPP from London North Centre, rose in the House during debate and proclaimed that the London bylaw has been great for the deck and patio business. "They've sprung up all over London," she said. This highlights the importance that the outdoor terrace has become an integral part of the survival of bars, pubs and restaurants. We ask the committee to examine Ms. Matthews's comments and reflect on the necessary changes that we are asking for to protect all outside terraces to immediately reduce any further harm to our industry. In fact, by changing the definition of "enclosed public place" to include anything with a roof implies that covered patios will soon be the target of the health activists.

We must ask this committee to ask the government what its intentions are here. Once again, like they did in 1999 when they approved DSRs—and many of the people here supported it—they are sending mixed signals by not including a distinct exemption for patios in this bill. Can the government give us that assurance in this legislation? And can they tell us why they did not consider the standard that has been added across the province, which included rules for outside patios?

I can see that my time is almost up, and I respect the long schedule of speakers today.

As a manager with McDonald's Restaurants of Canada for 10 years, a bartender for 12 years, a former billiard hall operator, a pub owner for four years, and the person who answers the 1-800 number from people all over the province in our Pubco office, I'll be happy to answer some of your questions.

The Chair: Thank you. If you have any material—

Mr. Hughes: I will give you the original.

The Chair: The clerk will ensure that every committee member gets a copy. We'll move to the NDP.

Ms. Martel: Thank you, Mr. Hughes, for making the presentation today. Can I be clear that the position of the coalition is that you want to implement a BC model in Ontario? I don't want to put words in your mouth, but is that it?

Mr. Hughes: That's correct. We sat in on all the discussions at the round table group in Toronto, and they presented some reasonable solutions.

Ms. Martel: And that would include maintaining designated smoking rooms and a provision that em-

ployees only have to work in them 20% of the time. Is that essentially where you're at?

Mr. Hughes: That's correct. When the health departments came to our industry and said we have to remove second-hand smoke from our indoor areas, that's essentially what we did. We're not ever going to force anybody to go into the ventilated smoking rooms if they don't wish to.

Ms. Martel: I appreciate that you've put your position to the committee, and I guess I want to give you mine. I think you're owed that. Two things: I just truly don't believe that DSRs work. I think we have heard enough evidence from a number of people who have come forward to talk about their experience of going into a restaurant where the DSR door was open, where the ventilation wasn't working. We heard from inspectors from health units who confirmed the same thing. I don't believe that DSRs work and I don't think they can work.

Secondly, we've heard from a number of presenters in the hospitality sector who have clearly said to us that there is coercion, there is intimidation of employees. They are forced to go into those rooms. They do it because, if they don't, they're going to lose their job. I think that's a reality in this sector. It is a low-wage sector with virtually no unionization. That is happening, and as a committee we have to acknowledge that we heard that evidence from a number of people.

In my community—I'm from Sudbury—two years ago there was a 100% ban everywhere—no exceptions; Legions included. Everyone is protected from second-hand smoke. Just as importantly, because there weren't DSRs allowed, there is no economic disadvantage, with some businesses with the space or the money to have a DSR so that people who want to smoke go in there and others that couldn't afford it or didn't have the space not being able to participate.

We have a difference of opinion, but I wanted to give that to you because I think you're entitled to hear that. I just don't believe DSRs work. I do believe that there is lots of intimidation of workers and that they are forced to go in and that the best way is to have a level playing field where all municipalities are 100% smoke-free, no exclusions. You can comment on that if you want.

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Mr. Hughes: I certainly don't think there was a question in there anywhere.

Ms. Martel: No, and I said at the front that I wanted to give you my opinion because you gave me yours.

Mr. Hughes: I respect your opinion, but your being from Sudbury, I'm sure you've talked to some of the operators in Sudbury. They got a bit of a double whammy, because there was an Inco strike at one point in Sudbury, so the economics in Sudbury is even worse at some of the bars and pubs. I believe they've had some problems in Sudbury as well.

Ms. Martel: But the point I'm making is that there is no economic advantage between one owner-operator and another. If your coalition represents bars and pubs across Ontario, you must hear from members that they feel they

are at an economic disadvantage because they didn't have the money or they didn't have the space to put in a DSR, so they're at a disadvantage with a pub owner or a restaurant operator who could do that. You must hear that from people.

Mr. Hughes: As far as the level playing field goes, it's certainly something we do hear about. But for you people to sit here and say you're providing a level playing field—first of all, everybody who goes into business is in business to compete. They have separate leases. They pay different rents. We all have different food cost controls. There is no level playing field. It's a competitive business. If you ask the operators to make the necessary changes to provide what you did—and you did ask that, and a lot of them went out and did it. That is choice, and that's what business is in Canada.

Ms. Martel: Except that for a number of people who have had the opportunity to create a DSR, I'd make the argument that they're in a position to attract more people because smokers can go there, whereas next door, where they didn't have the room or the money to put in a DSR and smokers aren't there, they have less clientele coming in just with the fact that one can have a DSR and attract smokers and the other can't. Outside of leases and everything else, that's got to be a reality.

Mr. Hughes: Well, can you assure us today—our industry is under attack. There's no transition fund to help the bars and pubs and the people going through this. Are the patios next? We certainly heard somebody talk about it this morning. That's what's going to happen, and that's going to be devastating to our industry.

Ms. Martel: Let me say what I did say during the debate. I recognize that a number of business owners made decisions that were completely within the letter of the law when they established DSRs. The bylaw was in place. The government had a commitment out there, but maybe people thought—and some of these were built before the government was elected, in any event. I think the government should be looking at compensation for those owner-operators who made a decision based on the bylaw at the time. There is a precedent, because when the former government used provincial policy to ban the spring bear hunt in the province, compensation was provided to tourist operators in my part of the world who were affected by that provincial decision. So I have said that I think the government should look at those 700 businesses that made a decision based on the law in effect at the time because they thought they were going to recoup their investment and their loan before the sunset.

But over and above that—we should look at that group, but I've got to tell you, I really strongly—

Mr. Hughes: I can appreciate the fact that you think those owners should be compensated, and I agree with that. But one thing you're overlooking is that when you make an investment in a patio in your restaurant, which a lot of the communities have done across the province now to maintain that portion of their clientele, there's a substantial expense in building a patio and applying for licensing to get a patio. I really think the finance com-

mittee should be looking at ways to help those people, whether it be a two-year moratorium on licensing fees for outdoor patios. That would help our industry.

We need to start to look at things to put people back into pubs and restaurants, not to take them out.

The Chair: Thank you for your presentation.

COUNTY OF LAMBTON

The Chair: I call on the county of Lambton to come forward, please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Kevin Churchill: Good morning. Thank you, Mr. Chair and members of the committee. My name is Kevin Churchill. I'm the manager of health promotion and program support with the county of Lambton. I'm here today to represent Warden Patricia Davidson and the council of Lambton County.

In September 2004, after an extensive public consultation process, the county of Lambton implemented a comprehensive bylaw, bylaw number 10 of 2004, prohibiting smoking in public places and workplaces. The county council spent approximately a year and a half debating, consulting with the public, and making sure that the bylaw reflected what was in the best interests of the residents of the county and that the people who presented to our public consultations were heard. Our county council feels very strongly that a provincial bylaw should respect and recognize the work that happened in our local council, and they would not want to see the local work overturned.

The message from our public consultation meetings was clear: A level playing field for all business operators was essential to a successful bylaw. The bylaw prohibits smoking in all indoor public places and workplaces, including restaurants and taverns, private clubs, charity casinos, bingo and slots, and all workplaces. There is no provision for indoor designated smoking rooms in the bylaw. The only exemptions in the Lambton bylaw were given for residents of long-term-care facilities and residential psychiatric care facilities. It was council's position that smoking is already tightly controlled in these facilities under the present Tobacco Control Act, and the issue was one of residents.

The current bylaw allows for designated outdoor smoking areas subject to strict criteria and county planning department approval, with a formula for open wall space in any roofed area. I will leave a copy of the guidelines for the outdoor smoking areas with the committee. It is our understanding that the proposed provincial legislation may not allow for any roofed outdoor area to serve as a smoking area. Council's position is that some Lambton business owners have gone to considerable expense to comply with the bylaw and provide an outdoor area that complies with the intent of keeping staff and patrons free from concentrated second-hand smoke.

Finally, county council felt strongly that a level playing field with respect to gaming is important. Currently,

the Point Edward charity casino and Hiawatha racetrack slots are 100% smoke-free.

That concludes my comments. I'd be happy to leave with you a copy of our outdoor smoking area guidelines and the public consultation report.

The Chair: Yes. If you would give that to the clerk, we'll ensure that members have access to it.

This round of questioning goes to the government.

Mrs. Mitchell: Thank you very much for taking the time to make a presentation. I just have a couple of questions. County council supports that their regulations and bylaws remain in place? They don't support eliminating a patchwork of municipal bylaws from county to county to county?

Mr. Churchill: My understanding of their position is that they believe the provincial legislation should take some of the local work into account or should respect the local work.

Mrs. Mitchell: OK. What I would like to say is that I believe we do respect all the work that has gone on in the past. This is all part of the process. I mean, what we have heard is that people are looking for a standard across the province to stop the patchwork of the bylaws so that the business community has an understanding of what is to be expected. I want you to take back that we certainly do respect all the work that has been done, and I know that in many areas it has been a very difficult transition. So thank you for that.

Just with regard to the outdoor patios, do you want to go over the differences between what we are presenting in Bill 164 and what you have in Lambton county?

Mr. Churchill: Sure. The Lambton county bylaw allows for a partially roofed area to serve as an outdoor smoking area, provided a percentage of open wall space is available. That number is 35%, I believe. It's a somewhat complicated formula, but I'll leave those guidelines so you can—

Mrs. Mitchell: I don't know when you got here, but we heard from the county of Middlesex. There was support for making the position clear so it wasn't so—you know, whether it has this or has that. We heard that by eliminating the roof, it was adding clarity to the position. I just put that forward.

I don't have any other questions. Do any of the other members?

Mr. Fonseca: What do you feel would be appropriate signage in municipalities and in different venues with regard to the smoking legislation?

Mr. Churchill: There certainly exists a very well recognized universal symbol. Regardless of your language, the round circle with the slash and the cigarette indicates pretty clearly what is meant. Our signage was approximately five inches in diameter, and the circle with the slash through it and the cigarette was displayed very prominently. It was provided free to all businesses and there were requirements and specifications as to where that signage should be located. It certainly, in my opinion, helped achieve compliance. As soon as you walk in the door, it's quite visible.

Mr. Fonseca: Should we expand on what you've seen?

Mr. Churchill: I can't comment with respect to my council's position on that.

Mr. Fonseca: One of the things we did is that we travelled throughout the province to look at all the municipalities that have gone through some very arduous battles around their smoking bylaws and made sure we consulted with them as we were putting this strategy and this piece of legislation together so we would not allow for the loopholes that have been used in the past and we could make sure this was comprehensive legislation. Do you feel it is comprehensive in its scope and addresses many of the different loopholes that have been used?

Mr. Churchill: The need for comprehensive legislation exists. When we engaged in looking at a county bylaw, there was a patchwork within our municipality, and that's the reason we chose to go with a bylaw that covered the entire county. By extension, one piece of legislation that covers the province would certainly be helpful.

The Chair: Thank you for your presentation.

The committee will recess until 1 o'clock this afternoon. For the committee and other persons in the room, I would advise you to take any personal belongings with you over the noon hour.

The committee recessed from 1153 to 1302.

BRIAN HATTON

The Chair: The standing committee on finance and economic affairs will come to order. We'll call on our first presenter of the afternoon, Brian Hatton.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Brian Hatton: Thank you, Mr. Chair, for the privilege of being here this afternoon. My name is Brian Hatton. I live at 274 Westforest Trail in Kitchener, Ontario. I'm the past director of environmental health with the region of Waterloo public health. I am since retired. My responsibility with the region of Waterloo was the implementation and enforcement of the region's 100% no-smoking bylaw, which came into place on January 1, 2000. We are 100% smoke-free, which encompasses 2,700 establishments in the region of Waterloo. I am speaking in favour of Bill 164.

I would like to congratulate the government of Ontario on its initiatives to pass Bill 164. This proposed legislation is progressive public policy to further protect the health and well-being of all residents of Ontario from the harmful effects of second-hand smoke.

There are a number of points I would like to make to the committee for consideration for their report, based on the first bylaw to restrict smoking in public places in the region of Waterloo.

First of all, designated smoking rooms: Designated smoking rooms protect neither those who work in them

nor those who use them from the hazards of second-hand smoke. There has been much discussion regarding the use of designated smoking rooms, and I strongly discourage any reference to the incorporation of DSRs in the provincial legislation.

In the region of Waterloo, after much public consultation and debate, DSRs are not part of the bylaw. The decision not to include DSRs was attributed to the appeal by operators who strongly opposed DSRs on economic grounds and fair practices. Operators requested that the bylaw be implemented without discrimination, and operators felt that the cost, the inability to construct due to the configuration of premises, and the cost to maintain DSRs, would put them at an unfair business advantage. This would favour chain establishments that have access to significant capital resources. Their appeal was to ensure a level playing field for all establishments in the region of Waterloo, so that privately owned establishments would not be put at an unfair business disadvantage. With no DSRs in the region of Waterloo, smokers have adjusted to leaving the premises to smoke outside without complaint.

You have to remember that ventilation systems are designed to control temperature, humidity and odour, and are not designed to eliminate toxins from second-hand smoke.

Economic impact: In the region of Waterloo, this issue was the single most important concern to business operators. There may have been references in your deliberations to stories of economic woes in the region of Waterloo as a result on the region of Waterloo's smoking bylaw. I can assure you that these stories are unfounded. Prior to the implementation of our smoking bylaw, businesses closed as a result of poor management, poor service, substandard product and poor location. When the smoking bylaw was implemented, any business that closed blamed the smoking bylaw, even if the establishment was not covered under the bylaw. There has not been one documented case of a closed premise as a direct result of the smoking bylaw. In Superior Court, where operators challenged our bylaw in 2000, financial evidence introduced by the region of Waterloo from one subpoenaed establishment indicated a financial loss for the first three months of the year preceding the bylaw, and a significant profit for the same period when the smoking bylaw was introduced. Not one other establishment would come forward to prove loss of business as a result of the implementation of the smoking bylaw.

The region did attempt to document information from operators who closed, implicating the smoking bylaw. In all attempts to gather information, not one operator would provide financial information to back their claims of financial loss due to the bylaw.

The next issue is the training of enforcement personnel and enforcement. I would strongly encourage the province to provide adequate resources for training and enforcement. Adequate resources for training of enforcement personnel are essential to adequately prepare enforcement officers to enforce smoking legislation. Past

experience in enforcing smoking legislation brings unique situations that often place enforcement officers in positions of risk in dealing with hostile operators, patrons and the public, who do not understand the intent of the legislation and who feel their individual right to smoke a legal produce is infringed upon. Adequately trained enforcement officers can diffuse such situations, and often build trust and confidence to achieve compliance standards and goals.

For example, upon implementation of the region's smoking bylaw, our enforcement officers were subjected to treatment by operators and patrons that our own regional police services found abusive, obstructive and a safety issue, due to potential physical confrontations. In many cases, our police services stated our enforcement officers endured confrontation that police officers were not subjected to. Our trained enforcement officers were able to continue enforcing the smoking bylaw, using enforcement techniques learned through adequate training that guided their actions in conflict situations. Our enforcement officers gained respect within the hospitality industry and throughout Ontario in the way they conducted their enforcement activities.

With the implementation of any legislation, adequate enforcement of the legislation with well-trained enforcement officers is an integral and essential strategy for success. It has been demonstrated that properly trained and resourced enforcement personnel achieve success of compliance to the legislation quickly, effectively and efficiently. It is also been demonstrated that initial resource requirements diminish as compliance occurs, resulting in reduced enforcement costs. For example, staff of the region of Waterloo public health were assigned the responsibility for the enforcement of the smoking bylaw. Our staff went through extensive training on enforcement procedures prior to implementation. On January 1, 2000, all 28 public health inspectors were initially seconded to enforcing the smoking bylaw. You have to realize that the region of Waterloo was the first municipality in Ontario with a comprehensive ban on smoking in public places. At the time, there was much anger within the hospitality industry, and conflict appeared to be inevitable between operators and enforcement personnel. With committed trained enforcement personnel, we achieved a 90% compliance rate within three weeks. By mid-February 2000, our staff was reduced to 2.5 specially trained bylaw enforcement officers, who continued on a full-time basis to enforce the bylaw. The success of our enforcement strategy enabled us to achieve a 99% compliance rate by the end of 2000. This allowed us to further reduce staffing by 1.5 full-time equivalents. In 2003, the bylaw enforcement officers were transferred to our bylaw enforcement department for incorporation to other bylaw enforcement duties, as the demand for enforcing the smoking bylaw diminished significantly, and the workload on smoking bylaw enforcement could not sustain a full-time equivalent.

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I'm pleased to inform the committee that since the implementation of the smoking bylaw in the region of

Waterloo, enforcement today is not as confrontational, due to the adequate resources for training, enforcement and learning from the region of Waterloo and other municipalities implementing smoking bylaws after January 1, 2000. Although confrontational situations in areas of new smoking bylaws are not as severe as they were in Waterloo region, this does not negate the need for adequate resources for training and enforcement.

With much pride, politicians and staff of the region of Waterloo have been ambassadors to other communities in Ontario and elsewhere that have implemented smoking bylaws, assisting in implementation and enforcement strategies by building on our successes and improving bylaws based on our experience.

With the success and leadership of our smoking bylaw in the region of Waterloo, residents of many municipalities in Ontario now enjoy the benefits of smoke-free environments. It is encouraging for many throughout Ontario who have worked diligently to aspire to a smoke-free Ontario to acknowledge the province's initiatives in Bill 164 to extend smoke-free places in those areas where the population is not presently protected from the harmful effects of second-hand smoke.

The Chair: Thank you. This round of questioning will go to the official opposition.

Mr. Barrett: Thank you, Mr. Hatton, for your presentation on public health. You talk about enforcement and also the designated smoking rooms, and the experience in Kitchener. I know that two weeks ago, a study was released that received a lot of media attention: Dr. Evans's study indicating that bar and pub revenue would decline by \$1 billion in a smoke-free Ontario and documenting a loss of 50,000 jobs, and that wasn't counting restaurants, doughnut shops, farms and other segments that are being affected by this.

Many of these facilities built designated smoking rooms in good faith, on the advice of government, on the advice of Michael Perley, of the Ontario Campaign for Action on Tobacco, who is here today. Mr. Perley signed an agreement in 1999 with the Ontario Restaurant Association and the Greater Toronto Hotel Association. It does raise the question of compensation. We had testimony from Martin McSkimming of Hemingway's Restaurant. He spent \$300,000 on his designated smoking room two years ago. Is he just out of luck?

Mr. Hatton: In reply to that particular question, I would say that establishments which have built designated smoking rooms in the past probably have gained their initial investment, for the simple reason that they probably had a fair business advantage over establishments that did not build designated smoking rooms at the time. I would say that they would probably be at an advantage.

Mr. Barrett: Just that example, as I mentioned, was \$300,000 two years ago. They're in business. This is the finance committee; we're dealing with issues like this. He's asking, first of all, for the status quo, and would like to see grandfathering of designated smoking rooms. Also, there's a request from the hospitality industry to at

minimum be able to depreciate their costs over 10 years, whether it's \$20,000 or \$300,000.

The other area you talk about is enforcement. I know there are many people here from the Ontario Korean Businessmen's Association, the London Korean Businessmen's Association—the family-run convenience stores. Enforcement is of great concern, given that in the past year, as a result of three tobacco tax increases, armed robbery has increased 50% in their stores. They have other concerns, like 30% of their stores will be bankrupt from this legislation. They know that across the Dominion of Canada, well over \$1 billion a year comes in from tobacco taxes. Shouldn't some of that money be spent on enforcement and, perhaps, additional police protection for the corner stores? One in four corner stores is robbed every year; 25% are robbed every single year.

Mr. Hatton: I think what you're getting at is criminal activity, and the enforcement we're talking about would probably be under provincial legislation, which would not be a criminal charge.

Mr. Barrett: They'd like money for the OPP and for municipal forces.

Mr. Hatton: It would be entirely up to the provincial government to allot additional monies to the police forces. What I'm saying with regard to enforcement of provincial legislation on smoking is that certainly it's a different type of enforcement, usually enforced by bylaw enforcement officers, who do not have the same responsibility as police officers. They would not be able to protect the corner store operators. They're only there to ensure that there is no smoking in the establishments that come under the legislation.

Mr. Barrett: Would that be costed out for enforcement across the province?

Mr. Hatton: I can only speak for the region of Waterloo, because each area of the province is certainly different. Within the region of Waterloo, we have 2,700 establishments that are covered by the bylaw. As I said, in February 2002 we had 2.5 full-time equivalent bylaw enforcement officers who were specially trained to enforce the bylaw. In 2003, these bylaw enforcement officers were transferred to our regional bylaw enforcement department for other duties because there was insufficient workload with regard to enforcement of the smoking bylaw. As you can see, as we enforced the smoking bylaw within the region of Waterloo, the enforcement cost diminished. You have to put some money up at the front, but in the end, the cost is minimal.

The Chair: Thank you for your presentation.

NORFOLK COUNTY

The Chair: I call on Norfolk county to come forward, please. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Roger Geysens: Thank you, Mr. Chairman, committee members, ladies and gentlemen. My name is Roger Geysens. I'm a ward 2 councillor for Norfolk

county. I have with me today Councillor Ted Whitworth from ward 1. I'm here today representing Norfolk county, since Mayor Kalmbach is away on vacation.

Norfolk is a rural community with a diverse agricultural base. Many of our commodity groups find themselves in difficulty, and Norfolk county has lobbied government for assistance for all our commodities. I'm here today to talk to you about tobacco. The tobacco industry has been the mainstay of Norfolk for 50-plus years. It provides employment income to a large share of families in this community, and the ripple effect is seen throughout all of Norfolk.

The tobacco industry faces many uncertainties. The federal and provincial governments and Norfolk county have all acknowledged that the tobacco industry is declining and that Norfolk will suffer social and economic losses, especially with close to 60% of the tobacco produced in Ontario grown in Norfolk.

There are a number of factors driving this decline: government policies, high taxes, illegal cigarettes, tobacco imports and lower consumption. The impact of the decline is severe. Between 1990 and 1992, an average of 81 million pounds of tobacco were marketed annually from Norfolk, generating \$159 million of farm income and employing 3,965 full-time equivalent employees, and that doesn't take into consideration the value added. In 2003, that dropped to 56 million pounds marketed from Norfolk, generating \$126 million of farm income and employing 2,523 people. If you compound the difference between the \$126 million and the \$159 million, that's a loss of over \$200 million to the Norfolk economy over the last 10 years, plus a loss of 1,450 jobs.

People and businesses will be affected in all economic sectors in Norfolk. The greatest impact will be felt by the tobacco producers as their equity is eroded and profitability wanes dramatically. Within the rural communities especially, the social effects may have as important an economic impact. Communities will change, and people's lives will be affected and altered permanently. We have already lost a number of businesses and the jobs they provided: Delhi Foundry, manufacturer and seller of specialized tobacco equipment, closed; Harley Smith, tobacco equipment supplier, closed; Jacob's Greenhouses, closed; Delhi Dodge, closed; Bruce Ford, Delhi, closed; Norfolk Co-op, a crop input supplier restructuring under bankruptcy protection. And these are just a few. There are many empty stores in our downtowns, and more and more of our tobacco-related businesses are barely surviving.

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Over the years, there has been much discussion of alternate crops: "Let them grow something else." Norfolk county has 30,000-plus acres dedicated to tobacco production. The problem is not finding something to grow, but what can be grown that's profitable, sustainable, provides a decent income for our families and will not collapse the other agricultural commodities within our county.

Two diversification programs have been implemented for the tobacco growers. The alternate enterprise initia-

tive program ran from 1987 to 1992, and the tobacco diversification program from 1994 to 1999. Few of the projects funded under either of these programs have stood the test of time. If we define a successful outcome according to whether a project has resulted in sustained enterprises, then the earlier programs were unsuccessful. Based on previous results, it would seem that there are few alternatives to replace tobacco, and any transition will take decades.

There are other barriers to the development of alternative enterprises in Norfolk: infrastructure lacking for transportation, water, wastewater treatment and power; resource information not readily available, plus expensive to small business. Many producers have inadequate capital to invest in new ventures. The loss of businesses, jobs and farm income have also had an impact on Norfolk. The residents of Norfolk are struggling under consecutive property tax increases to maintain current services and infrastructure, let alone pay for the added water, wastewater treatment plants and roads required to move Norfolk forward. People's ability to pay has been stretched to the limit, and Norfolk county does not have the resources to implement all of the recommendations in the tobacco community action plan. I've given to your clerk a copy of that plan, and much of what I'm talking about here today is included in that plan.

As the Norfolk community changes, people will need assistance in a variety of ways. Support networks need to be ready now to help people to prepare for and find new careers, job opportunities, new business relationships, and to be secure in that transition. No one wants a repeat of the desperation and tragic loss of life during the last downsizing in the late 1980s.

Mr. Chairman, thank you very much for allowing me to be here today. We hope that as you consider Bill 164, you will take into consideration the economic impact that Bill 164 will have on our Norfolk community.

The Chair: Thank you. This rotation goes to the NDP.

Ms. Martel: Thanks to both of you for being here this morning. In some of what you said, you answered some questions that I had this morning for an earlier presenter about how successful some other diversification programs have been. I listened to you say, "Not very, at all." Secondly, my question to him had been, "What's in place now for someone making the decision now, because of their economic circumstances, to transition?" I didn't get a very clear answer in terms of what's available now.

Broadly speaking, I guess, you've highlighted the problem, and there's no doubt there is a problem. As we deal with this legislation, we have to understand that it will have even more of an impact, and that impact is going to be negative. We can't underestimate that, and we need to deal with it.

You talked about a lot of the problems. As a council, have you looked at what some of the solutions are, who they have been given to, what some of the costs are, what some of the proposals are? What do we need to be looking at, as a government—not just in the short term, be-

cause it's not a short-term problem—both at the provincial level and, frankly, at the federal level?

Mr. Geysens: I think there a couple of initiatives that Norfolk county has taken. Number one, we put forward a proposal to the provincial government for an agricultural innovation centre. What's needed is research, a place where people can get marketing information. If they're going to transition, that's what's really lacking: the research. I mean, you can grow anything in Norfolk county. Tobacco farmers have, over the years, built up the area to where you can produce almost anything. But 30,000 acres has an impact on everybody else if it's one particular commodity. We had the same thing in 1988. Asparagus, peanuts and tomatoes were all touted as the answer, but none of those survived. The asparagus industry just about collapsed because of the increased acreage that went in.

What's really needed is research. We need to be able to provide some industrial growth so we can provide jobs. We need infrastructure. We're in the process of putting in a water treatment plant in Port Rowan that's costing us close to \$5 million. We need more of that infrastructure throughout the county. We have a node in Norfolk, in the northern end by Courtland, that's growing. We have no wastewater treatment facilities. We just simply cannot afford the infrastructure that we need to move forward.

Ms. Martel: You should know that earlier, on a motion from Mr. Hardeman, the committee did adopt his resolution to ask the provincial government for support, outside of the money that was announced by the Minister of Agriculture—specific support outside of that package—for the innovation centre.

Where are some of your projects at? You've talked about infrastructure. Are there concrete proposals that have gone to government? Have they been accepted? Are you looking for support to try and get those through?

Mr. Geysens: Well, we're always looking for support. We put in a COMRIF application, and we just found out two days ago that we weren't successful. We will continue to put proposals forward to the government. We have lobbied for a number of things. There was a proposal to put together a fast ferry between Dover and Erie. We lobbied the government for some support and some new dollars to make that a reality. To date, nothing has come forward from the provincial or the federal governments. We seem to be fighting an uphill battle. In fact, the frustration boiled over last Tuesday night in our council, when many said that we seem to be the forgotten county.

Ms. Martel: I think that as this bill moves forward—which has a real emphasis, obviously, on health—the government is going to have to turn its attention to a much more concrete, comprehensive and coordinated strategy for dealing with farm families in crisis, but particularly those in tobacco production. I suspect that the \$50 million, while it's appreciated, is not going to go the distance, by a long shot. Frankly, the feds should be on board too. There should be federal money in this because this is a huge crisis—I think that's the best way to

describe it—that they should be a part of trying to solve. I'll give you my undertaking that as we complete this bill, I'll certainly be calling on the Minister of Agriculture, then, to put together an approach and bring together people for a much more comprehensive response. I think that we are not doing half as much as we need to be doing on that front, by any stretch.

Mr. Geysens: Thank you very much. If I could just reiterate one thing: I think the ginseng growers and the asparagus growers were here, and there is a follow-up document to this that outlines much of what Norfolk needs. It's called Norfolk at the Crossroads. I think that document will be made available through Mr. Barrett's office or through the county, if any of the members of the committee would like that document. Certainly it spells out, in greater detail than I can here today, what's needed in Norfolk.

The Chair: If you provide additional information, the clerk would accept that and ensure that all members of the committee have it.

Mr. Geysens: I don't have it with me here today, but I can get that to the committee, if that's OK.

The Chair: That's fine. Thank you.

WINDSOR-ESSEX COUNCIL ON SMOKING AND HEALTH

The Chair: I would call on the Windsor-Essex Council on Smoking and Health to please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Dennis Paré: Thank you, Mr. Chair, members of the Legislature, and guests here this afternoon. I'm Dennis Paré, chairperson of the Windsor-Essex Council on Smoking and Health. With me today is Richard Kokovai, co-ordinator for the Windsor-Essex Council on Smoking and Health. Thank you for allowing me the opportunity to speak to Bill 164 today.

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The Windsor-Essex Council on Smoking and Health is a coalition of agencies and private individuals who share a concern regarding tobacco use and the negative impact it has on health in our community. The council on smoking and health has voiced these concerns in Windsor-Essex county for 29 years. In 2003, we provided significant support to Essex county council, prompting their adoption of smoking regulation bylaws eliminating smoking in all public places and workplaces.

I would ask you today to consider three points:

First, I wish to relate our experiences with smoking regulation bylaws in our peninsula of southwestern Ontario. One bylaw: simple, comprehensive and effective; conversely, another: complicated, administratively obese and alarmingly ineffective.

Second, I will ask you to address some of the objections we have encountered opposing the adoption of comprehensive smoking regulation bylaws.

Third, I wish to express how critically important it is for the committee to recommend to the government and to the Legislature to adopt Bill 164, and to take steps to make a good piece of legislation into an outstanding piece of legislation.

We have a peculiar situation of being able to compare two vastly different approaches to smoking regulation in Windsor-Essex county. One is the Essex county, where bylaws 26-2003 and 27-2003 prohibit smoking in enclosed public and workplaces, respectively. These bylaws provide for no exemptions of any kind, nor do they provide for designated smoking rooms. They are simple, easily understood, straightforward, and leave no chance of confusion on the part of workers, employers or members of the general public.

The other, the city of Windsor bylaw 11803, has proven to be a legislative debacle and an enforcement officer's nightmare. The city bylaw was phased in over a period of six years. It contains a variety of allowances for smoking versus non-smoking areas. The Windsor bylaw defines four different licence classifications, three of which permit smoking under certain circumstances, provide for designated smoking rooms and, to further confuse the whole situation, contain times at which smoking may or may not be permitted. The sum of the parts is a whole that is administratively cumbersome to understand and frustratingly difficult to enforce. Consequently, city bylaw officers expel little effort to ensure compliance.

In the 19 months since the Essex county bylaws have been in effect, only 20 charges have been laid against non-compliant employers or individuals. Compliance with the bylaws and acceptance by the community have been extremely high. In the city of Windsor, there have been, to our knowledge, hardly more than 20 charges laid in five years since the final phase of the Windsor bylaw came into effect. Regrettably, that small number of charges is not for the same reasons as we found in the county.

If there is anything to be taken away by this committee from our experience in Windsor-Essex county, it is that the simpler and more comprehensive the legislation, the easier it is for everyone to understand, smokers and non-smokers alike. When rules are simple, they are able to be understood and followed by the entire community. Convolutioned legislation leads to frustration and non-compliance.

I'd next like to address some of the objections that were raised by the adoption of the bylaw in Essex county in 2003. Residents of Windsor and Essex county flow freely from one community to the other. A number of hospitality venues in the city and the county are in close proximity. Because of this, concerns were raised about non-smoking hospitality businesses in the county being disadvantaged by their smoking competitors in Windsor. Pubco and their ilk predicted the hospitality business in Essex county would be devastated and thousands cast out of work. This hasn't happened. In an industry known for the highest rate of attrition of any business sector in Canada, it's possible to count on two hands the number of hospitality operators who have closed in the 19 months

since the bylaws were adopted, and you won't run out of fingers. In fact, in a review of the restaurant listings in the Bell Canada Yellow Pages for the years 2002, 2003 and 2004, the listings were 122, 133 and 129 respectively. The hospitality choices available to consumers in the municipalities immediately adjacent to Windsor have unquestionably increased during that time. Cause for disaster? How could you market your business to appeal to 75% of the population versus 25% of the population and call that a cause for disaster?

Legion halls also came forward asking for an exemption. The arguments can be summed up in three points: Legions are veterans' clubs, and veterans have earned the right through their wartime service to be given such exemption; Legions contribute considerable sums of money to worthwhile projects in communities across Ontario, and such regulation will drive many Legions out of business; and Legions are private clubs and should be beyond the scope of the law.

Unquestionably, all Canadians owe a debt of gratitude to those souls who have fought on behalf of us in times of war to preserve our Canadian way of life. But that gratitude cannot take the form of some citizens, veterans or otherwise, being above the law. Canadians went to war to defeat the notion that some citizens are better than others, that in Canada everyone is accorded the same democratic rights as everyone else, and that when a community has spoken as a democratic whole, then all in the community are bound by that decision.

Legions do contribute sums of money to communities across Ontario, but so do many other individuals and businesses that will also be subject to smoking regulations under Bill 164. To be fair, we cannot exempt Legions and not also entertain exemptions for others. To do so puts us on the slippery slope of the law applying to no one.

In September 2003, prior to smoking regulation, we had nine Legion halls across Essex county. In April 2005, we have nine Legion halls. Legionnaires will continue to frequent their Legion halls, because through their Legions they continue to contribute to the well-being of their community. They will continue to frequent those halls and continue to contribute to their communities, smoking regulations notwithstanding.

The Chair: You have about a minute left in your presentation.

Mr. Paré: OK. I will move to the final phase.

Finally, I'd like to conclude with a few thoughts about our young people, workers and Bill 164.

Tobacco companies lose thousands of customers across Canada every year to smoking-related diseases. Without replacement of these customers with new recruits each year, the tobacco industry would be destined to extinction. Those new recruits inevitably come from the ranks of the youth. The principal and, the tobacco companies argue, the only avenue for display is to have their power walls. These power walls are prominent in every retail store. If we are to give our youth a chance to avoid tobacco dependency, we must act decisively: Clearly separate the candy counter from the tobacco

counter. I ask you to see that Bill 164 accomplishes this goal.

Some unfortunate workers too will continue to pay the price of tobacco use in Ontario through their exposure to environmental tobacco smoke in the workplace. However good Bill 164 may be at protecting workers, let us not overlook the fact that this protection currently falls short. Some workers are left exposed. Hotel workers are left exposed. Nursing and retirement home staff are left exposed. Home health care are left exposed.

Let's be quite clear on this point: If we accept that environmental tobacco smoke is a proven health and safety hazard, then we have a deep-seated moral obligation as community health advocates, political leaders and employers to see that this hazard is removed from the workplace—all workplaces. We all share a responsibility to provide a working environment free from danger to the worker. No one in 21st-century Ontario should be forced to accept a trade-off between sacrificing their health and earning a living to support their family—no one.

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The Chair: Thank you. This rotation will go to the government.

Mr. Fonseca: Thank you, Dennis, Richard and the Windsor-Essex Council on Smoking and Health for your real-life experience down in Windsor-Essex with the hospitality sector, with the Legions and other examples that you mentioned. We've had a number of presenters here today, and in the other meetings we have had within this committee, where they've often used "the sky is falling" type of statements. Pubco has been one of those that has brought those types of statements and anecdotal evidence forward, feeling that their industry would be heavily impacted. Based on the examples you were able to bring forward, we saw that that was not so.

As I've said before, this piece of legislation was one that the minister said was not to be characterized by exemption and one that was to create a fair playing field across all of Ontario for business. Its main purpose is for the protection of all Ontarians—12 million of them.

We also had a presenter earlier, Mr. Hatton from Waterloo. He brought up some experiences around the enforcement of the legislation when Waterloo went smoke-free. I believe the figure was that they brought on 2.5 full-time equivalents to take care of their enforcement. Within a few months, or by the end of that first year, they felt that compliance was so high—I'm not sure if it was around the 99th percentile—that they were able to move those full-time equivalents into other jobs. Can you tell me a little bit about how things have worked out in Essex around the enforcement and your experience with that?

Mr. Paré: Mr. Kokovai was the enforcement officer in Essex for some time. Perhaps he'd like to speak to that.

Mr. Richard Kokovai: The experience we had in Essex county was that there was no problem with compliance. We conducted a series of investigations, unannounced visits, to hospitality establishments and places of employment like industrial worksites where you would

think there may be some problems, some resistance, and there wasn't, to put it quite bluntly. There was muttering; there were people who were obviously not in agreement with the legislation. But once the legislation was in place and the support of the community was obvious, we didn't find it an enforcement problem at all.

Mr. Fonseca: If you cross that imaginary border and go into Windsor, around their enforcement and how much they're spending on their enforcement, do you have any evidence?

Mr. Kokovai: I can't speak to how much Windsor spends on enforcement. I know that we used to receive probably, on average, about four calls a month from residents of Windsor, or workers who were employed in the city of Windsor, and we would have to redirect them to the city clerk's office. Where the complaint went from there, I can't say.

Mr. Fonseca: One of the things we want to make sure of is that there are not loopholes within this legislation that will force further enforcement or where we're going to have to keep full-time staff, which will be something that will cost all provincial taxpayers a lot more money. We want to make sure there is compliance throughout. It sounds like, with your experience down in Essex, that is so.

Mr. Kokovai: That's correct.

Mr. Fonseca: How was that phased in? When we heard about the Waterloo example, it took the first couple of months until they made sure that things were enforced well and that the compliance was being adhered to in terms of the law. Was that the same experience in Essex?

Mr. Kokovai: In Essex county, once the bylaws had been passed, there was an information package prepared for distribution to employers and interested parties. As a member of the general public, you could request a copy of the package. The packages were personally delivered by health unit staff to employment venues that we felt might be high-risk, and the packages were delivered by Canada Post to venues that we felt were low-risk, for instance, retail businesses that, as you're well aware, have been required to be smoke-free since the Tobacco Control Act was passed in 1994. We tried to concentrate the manpower on the places where we potentially had the greatest problem.

People had an opportunity to ask questions of staff then. They had the opportunity to make their concerns known. If they felt they needed additional information or they needed assistance in explaining the legislation to their staff, we were there to do it.

The Chair: Thank you for your presentation this afternoon.

Mr. Paré: Thank you for your consideration, Mr. Chairman.

BARBARA AIKEN

The Chair: I call on Barb Aiken to come forward. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning

following that. I would ask you to identify yourselves for the purposes of Hansard.

Ms. Barbara Aiken: Thank you, Mr. Chairman. My name is Barbara Aiken, and beside me is Laura Wall. I'd again like to thank the committee and you, Mr. Chairman, for giving me this opportunity to speak to you today to present my perspective on this bill to make Ontario smoke-free.

First, I would like to commend our government for taking on this issue. It's an important one, and I'm very pleased and supportive of having a smoke-free Ontario.

There are several avenues in my life where I've gained my perspective on this issue. I'm a mother. I believe my children will be directly affected by your decisions, and I ask that you show real leadership and foresight. Although I recognize that cigarettes are still a legal product, I also recognize that the image of them being glamorous or acceptable or safe is dead wrong. I ask you to help protect our youth, who statistically are the most vulnerable.

Most smokers today wish they could quit. Most started when they were young because it was seen as cool or normal. Tobacco is neither. This bill can help rectify that myth and help prevent another generation of people trapped in their tobacco addiction. Stop letting it take prominence in our stores and stop allowing it to be seen as more popular than it actually is.

I'm also a business person, and as such, I can empathize with those who are dealing with change. But as a business person, I look at the demand for my product and set my objectives accordingly. The business of tobacco has been on the decline for decades. Given that this product, if used exactly as intended, will make you sick and, odds are, will kill you, it's not a product we should promote. Its time has come, and we've known that for a long time now.

I'm a member of a family and I'm a friend. In this generation, I've lost a cousin at 53 to cancer and seen three other family members battle this disease, and right now, I'm watching some incredibly wonderful friends losing their lives to cancer. According to Health Canada, tobacco use causes about 30% of cancers in Canada and more than 85% of lung cancers. I want my family and friends to be safe. I don't want them to be exposed to tobacco smoke, regardless of what city or what establishment they are in. I absolutely want workplaces and public places to be 100% smoke-free.

1350

I read a quote from Minister Smitherman on one of the Ministry of Health's Web pages. Minister Smitherman said, "Smoking and exposure to second-hand smoke is the number one preventable killer in Ontario today," and "We promised to make all workplaces and enclosed public places in Ontario 100% smoke-free. The legislation we are introducing today will fulfill this commitment and attack the chief cause of death and disease in this province."

I totally agree and support this. Let's do it, and let's redirect the money we spend caring for the sick and dying of tobacco-related diseases to other pressing health

care needs. It just seems wrong not to get rid of something that we know is making so many so sick.

I am a volunteer, and as regional president of the Canadian Cancer Society's southwestern Ontario region, I represent thousands of volunteers who contribute their time and passion to the battle against cancer. In fact, our southwestern Ontario region was just recognized. Because of the sheer force and determination of our volunteers and donors, we were awarded our organization's collaborative excellence award, an award that goes to the region in Ontario that has the greatest community fundraising revenue per capita in one fiscal year. These are our supporters, supporting what it is that we do and what it is that we stand for. That represents \$6.3 million dollars worth of support, or \$4.80 per capita. We want our province to be our ally in this fight by giving us a comprehensive Smoke-Free Ontario Act.

Finally, I am one of those people living with cancer. In 2001, I had two different occasions where I had to face down cancer. I know that if you get cancer, it's a tremendous challenge that changes virtually every aspect of your life. It erupts into your life and creates financial, emotional, psychological and physical hurdles. As a patient, I want to know that this government is going to move forward and get past dealing with a known toxic substance. I want it to put all its efforts into helping patients and supporting research and health care.

The Canadian Cancer Society has a TV public service announcement that you may have seen. It's of a young boy in a very David and Goliath gesture, reaching down to gather a simple stone to fend off the imposing shadow of a giant. He's joined by first one and then many, from all walks of life and of all ages: together strong. The message is clear and one we can apply to our efforts here today. We want a healthier, safer Ontario. That's what we're fighting for, all of us. We're together in this. We want a smoke-free Ontario now.

Thank you.

The Chair: Thank you. In this rotation, we go to the official opposition.

Mr. Barrett: Thank you for coming forward. You raised issues of banning smoking and support further legislation. You make mention of the workplace. You make mention of children.

Just a couple of questions. Through the committee hearings, we're trying to determine where this is heading. For example, just across the way on Simcoe Street is a Super 8 motel and Colby's restaurant. There are ashtrays on the table, of course. In the motel part, there are smoking rooms. In terms of the workplace, some groups advocate that smoking be banned in hotel and motel rooms because they are workplaces. This finance committee received testimony during one of our last rounds from the Ontario Campaign for Action on Tobacco with respect to home care; they advocate that there must be no smoking in someone's own home 24 hours prior to a home care visit because it would endanger the health of, say, a home care worker who would come in.

Again, I don't know where this is heading. Designated smoking rooms are allowed in long-term-care facilities,

for example, here and there in the province of Ontario. Staff work there. The Ontario Campaign for Action on Tobacco raised a concern. The fire marshal has indicated that risk of fire would put people at risk and affect staff who go into these facilities.

Do you have any comments on those three different examples of workplaces, just to give us an idea of where we're heading with this?

Ms. Aiken: It's my understanding that what we're attempting to do with this is eliminate the opportunity or requirement of anybody who is employed to be subject to tobacco smoke.

In terms of residences, I don't believe this bill is addressing an actual residence. I believe that then eliminates the discussion when it comes to an old age home, as well as the hotel—not the restaurant side of it, but the hotel portion of it. Actually, I was unaware of the fact that they required 24 hours' notice for a health care worker to come into a home. It was my understanding that—

Mr. Barrett: This is being advocated by Michael Perley of the Ontario Campaign for Action on Tobacco, who is here today. They had previous testimony before the finance committee several months ago.

Ms. Aiken: Perhaps Laura could address this.

Mr. Barrett: If not—that's not in the legislation. We've been told many times by anti-tobacco people that they're not going to give up, and this is on the table.

You mentioned protecting children. Michael Perley advocates regulating smoking in vehicles. The Ontario Medical Association recommends, in a recently published analysis, eliminating smoking in vehicles where children are present. People are concerned about this. How far do you push this? How far does this go: as far as the state stepping in and regulating the use of tobacco in their own car or in their home?

The call is to regulate smoking in the workplace. Many people in this area drive tractor-trailers. They'll be in those rigs for days on end. I don't know. Do we require them, in this legislation—maybe the parliamentary assistant could answer this—to shut down their rig to get out on the side of the road to have a cigarette? How far do we go? Is it infinite? Do we keep pushing this?

Ms. Laura Wall: The position we're looking at right now with respect to Bill 164 is that it is an extensive bill and we would like to see that go forward, because this is about health. Right now, what we do know is that approximately 16,000 Ontarians die each year because of the effects of smoking. So we see this as a positive first step.

The Chair: Thank you for your presentation.

ONTARIO FLUE-CURED
TOBACCO GROWERS'
MARKETING BOARD
AGRATURF EQUIPMENT

The Chair: I call on the Ontario Flue-Cured Tobacco Growers' Marketing Board. Good afternoon. You have 10 minutes for your presentation. There may be up to five

minutes of questions following that. I ask you to identify yourselves for the purposes of Hansard.

Mr. Fred Neukamm: Good afternoon, Mr. Chairman and members of the committee. I am Fred Neukamm, chairman of the Ontario Flue-Cured Tobacco Growers' Marketing Board. I have with me Jason Lietaer, general manager of the board. I also have with me Henry Scholten, who is representing a local equipment dealer. We've decided to pare down our own presentation to share our time slot with Mr. Scholten. He's a local equipment dealer who relies very heavily on tobacco farmers for their business.

1400

We represent approximately 1,000 farm families who grow flue-cured tobacco, mainly in Brant, Oxford, Norfolk, Elgin and Middlesex counties. At the outset, let me assure you that our board recognizes the need for sound, responsible public policy on tobacco. In our opinion, this can only be achieved on the basis of proper research and broad-based, meaningful consultation with all legitimate stakeholders.

I want to let you know how much we appreciate the committee travelling to Tillsonburg to hold this hearing. We know it took guts and we recognize that. However, we sincerely hope that our experience here is more productive than the effect of our last appearance before your committee. We last appeared before you on January 17 of this year in the pre-budget consultations. The main point of my presentation that day was tobacco taxes and how they were fuelling black market tobacco sales.

The next morning, I woke up and read the newspaper: The government was increasing tobacco taxes by \$1.25, effective immediately. Your consultations on the budget were not even complete. We were still four months away from the budget. It was clear, at least on that day, that we and the 100 farmers who travelled with me to London were wasting our time and breath.

We believe that you should be concerned that the government's health goals are being undermined by your own tobacco control policies. These policies, although intended to have one effect, are in fact causing unintended consequences which compromise the government's objectives. For example, high tobacco tax levels result in high demand for cheaper contraband and counterfeit product. Criminals make these cigarettes readily available to both adults and young people. They do not check for ID. According to your policies, high taxes supposedly restrict youth access to tobacco products. In fact, high taxes can be driving cigarettes into the hands of young people through illegal channels.

Your policies also suggest that increases in tobacco taxes will help toward costs attributed to smoking. However, the costs associated with smoking are well covered by the tax dollars paid by smokers. Minister Smitherman's own estimate of those direct costs is \$1.7 billion in Ontario yearly. Ontario smokers will pay \$2.5 billion this year to the Ontario and federal governments, more than enough money to cover the increased health costs that the minister alleges.

As well, the government is losing tax dollars every day. There are no taxes paid on black market sales. According to your own finance department officials, tax evasion is a recognized problem and was one of the factors taken into consideration at the time of the latest tax increase of \$1.25 per carton, rather than the \$2.50 increase that your government had been instituting before January of this year.

Current tax levels are also creating an upsurge in the value-for-money cigarette market. Consumers are demanding cheaper products. In contrast, Minister Smitherman has stated that it is one of his goals to increase the cost of cigarettes. What effect does cheaper, imported tobacco have on this policy? It allows cigarette manufacturers to keep prices down and still maintain profits. Cheaper imported tobacco means cheaper cigarettes. That's a fact and it's compromising your own health goals.

This bill will also remove the power of decision-making regarding tobacco matters from the municipal to the provincial level. We believe that municipal councils have a much better understanding of the needs and requirements of the citizens they represent than legislators in Toronto. We understand that some municipal councils welcome this bill because it enables them to dodge what many regard as a political hot potato. Nevertheless, they have an obligation to ensure that tobacco-related bylaws put in place by their municipalities represent the wishes of their communities.

We have always believed that responsible policies could be put in place that accommodate the smoker and the non-smoker, but the government has abandoned those principles. That's the sad part: Solutions can be found that recognize the rights of all, but the government has chosen a different path. We believe that freedom and choice are fundamental principles that have to be respected, and that business owners, adult smokers and non-smokers can all make their own decisions; government does not need to do it for them.

You've got a lineup a mile long of people who are being affected. Our phones have been ringing off the hook with disgruntled local people who want to present to you, and we advise you to seriously consider more hearings.

The people who are calling us are not well-paid professional lobbyists like the anti-smoking industry. They are just people who have plowed money into their businesses or farms only to see their investment evaporating. If you had had this meeting even three weeks ago, you would have had 1,500 farmers here telling you what they thought of this legislation. Right now, they're out in their fields trying to earn an honest living.

There is a segment of society that is paying the freight for these policies, and those people deserve to be compensated. If government policies take away livelihoods, then government has to take responsibility.

Look around you. As the mayor said this morning, it is ironic that this very venue that we are in today discussing anti-tobacco policies was formerly a tobacco auction

exchange. It had been owned and operated by our board since 1965, and it closed in 2002. There used to be three buildings like this one; now there is one. Each of those buildings provided employment for upwards of 200 people from October to March every year, providing millions of dollars in employment income each winter.

It is also ironic—sad, in fact—that as we are here today in this former tobacco auction exchange, in another part of this building farmers are submitting bids to exit tobacco farming forever. Farmers are proud, hard-working people who, in many cases, cannot continue in the present environment. Contraband, uncontrolled imports, future uncertainty and decreasing margins: All of these things can be attributed directly or indirectly to government policies.

We firmly believe that the government of Ontario, along with the federal government, must take a responsible approach to work proactively with all segments of the industry to develop a long-term and sensible policy framework for tobacco growers in this province.

We appreciate the hard work and dedication of Minister Peters on behalf of the tobacco-producing sector and we welcome the provincial government's participation in a tobacco adjustment assistance program. We see this as a positive step on the way to meaningful discussion toward a long-term solution, a solution that needs to include governments at both levels: tobacco manufacturers as well as our farmers. That solution needs to come quickly, and we look forward to taking both levels of government up on their offers to work on and implement that long-term solution.

Our farmers have one question for this committee today: Will this committee recommend that the Minister of Agriculture take a leadership role in working with his colleagues in health, finance, municipal affairs, and economic development and trade, along with the federal government, in developing and implementing a viable and sustainable long-term strategy for tobacco farmers and their communities?

The Chair: We have about a minute and a half left.
1410

Mr. Henry Scholten: Good afternoon, Mr. Chair and members of this committee. AgraTurf Equipment Services Inc. was formed in 1974 by the five Scholten brothers—George, Henry, Derek, John and Ernie—and operated as Scholtens Farm Equipment. In 1996, four second-generation Scholtens bought into the company and became shareholders. Our first store was in Courtland, and we had two employees. This small company grew rapidly, as the demand was great. We currently employ 99 well-trained people who work hard and always go the extra mile. Today, we have five stores located in Courtland, Simcoe, Brantford, Tavistock and Ayr, and we service portions of Oxford, Elgin, Perth, Haldimand—Norfolk, Brant, Wellington and Waterloo counties.

Tobacco farmers in the 1970s, 1980s and 1990s represented more than 50% of our business. Last year, they represented less than 25%, and this year, we expect that

to decrease to 10% to 15%. Our sales are down 16% from last year, year to date, but our expenses are up over 21%. Our operating line at the bank is double what it was last year at this time.

We know that Bill 164 will help to make this picture even more dismal. So what is the economic effect for Ontario, with AgraTurf in mind? Our accounts payable records indicate that we have 3,225 vendors, of which 94% are Canadian and 92% Ontarian. We need to cut our vendor list by half, as it is too costly to maintain business with them. Now all these vendors are scattered throughout Ontario. Manufacturing facilities that AgraTurf supports are located in the following counties: Oxford, Peel, Haldimand—Norfolk, Niagara, Huron, Waterloo, Wellington, Essex and Elgin, to name a few.

We could consider sourcing from China, as their products would be far cheaper. Why? They are subsidized. How? Low taxes, very little environmental concern, and a very cheap workforce. What impact would this have on the local economy? How many manufacturing dollars would leave this country and never come back? Fully \$1,982,468 would be gone, exiting the local economy, exiting the province, and exiting this country. If this money stayed, what would happen? The manufacturing companies would make more money, they would spend more, and all levels of government would collect more taxes.

What about laying off 25% of our employees? How many would collect unemployment? Possibly half. Who will pay for that? Will they have expendable income? No. Will they be buying cars? No. Will they buy clothes made in Toronto? No. Will they go shopping for Christmas presents in Toronto and in other large centres? No.

Will AgraTurf purchase 17 new vehicles this year, as we have every other year on average? No. Will our employees buy new vehicles made in Ontario? No. Why not? The Ontario government subsidizes the automotive industry in Ontario.

Why should AgraTurf support Ontario when our government is trying to bankrupt my customers?

What is the solution? Scrap Bill 164 and support small business, as they are the backbone of the economy.

The Chair: Thank you. This round of questioning will go to the NDP.

Ms. Martel: Thanks, Mr. Neukamm and colleagues. I've got copies of letters—December 4, 2004, and February 11, 2005—that you sent, Mr. Neukamm, to Minister Peters, talking about the crisis facing Ontario tobacco farmers. You had put forward your proposals for some short-term action and long-term action. I won't go through the details. You know them as well as I do.

The February 11 one talks about two things you need: (1) an immediate cash payment to help farmers exit tobacco production; (2) a long-term strategy for tobacco farming, with a long-term exit program for farmers. Where are you in your dealings and with provincial government at this point with respect to those two critical issues?

Mr. Neukamm: Thank you for your question. Currently, the short-term plan is in motion. That is a joint

federal-provincial program. As I mentioned in my address, the bids are being received as we speak. So that process is underway.

As far as the long term is concerned, the minister has made a broad commitment to participate in that process. Those discussions have only started, in a very broad sense. We would like to see things accelerated in a very quick and meaningful way with both levels of government and with the manufacturers.

Ms. Martel: With respect to the first one, the short-term plan that's in motion, what funding has been allocated to that? There was \$50 million, but there was a division between the two pieces of it. Can you speak to that?

Mr. Neukamm: Yes. From the province of Ontario, there was \$50 million committed, \$35 million of which is a direct payment to the tobacco board to be used in conjunction with the federal dollars for the federal tobacco adjustment assistance program. The other \$15 million, we understand, is being turned over to the community futures development corporations for economic diversification in the tobacco-growing region.

Ms. Martel: With respect to the short-term plan, is the \$35 million enough?

Mr. Neukamm: No, it is not. We recognize that that combined pot of dollars is not going to solve all our problems. It will allow a segment of our growers to exit the industry, but it is only a start.

Ms. Martel: As you talk about the longer-term plan—and I appreciate that you said you're just at the start of this—what are you looking for from both levels of government in terms of a longer-term exit plan that will be realistic?

Mr. Neukamm: Very simply stated, our position is that every cigarette sold in this country should contain not less than 90% Ontario content and there should be a long-term, fair, equitable exit program for those who can't stay.

Ms. Martel: Do you have any sense of (a) what that would cost, and (b) what is the likelihood of the folks you represent being able to transition to another crop that will provide them with an appropriate and adequate livelihood? One of the arguments I've heard is that people have looked to alternative crops, started to produce, and then found that their costs were more than they were able to bring in, so it wasn't a transition to anything that provided a meaningful livelihood.

Mr. Neukamm: The issue around transition is a very difficult one. Currently, approximately 100,000 acres of land is really suited to tobacco production. There is nothing available where we can switch a flip and see all that acreage moved to that overnight. Something that is manageable and sustainable for the long term is really necessary for any long-term plan not to create complete chaos.

Ms. Martel: When you talk about the long term—and I appreciate that it's probably hard to put a number on this, I'm not trying to trick you in any way, so I hope you don't take it that way. If you're looking at how successful

a transition could be and what that would mean, what is the commitment—I guess that's the best word to use—that has to be made by both levels of government to ensure that there is an orderly change so that we don't completely devastate farm families, particularly those involved in tobacco production now?

Mr. Neukamm: Simply stated—and we had these discussions some time ago with the federal round table on tobacco—a proper strategy should involve both production and exit, as I've mentioned. As long as it is a legal product consumed by adults in this country, it should be supplied by the Ontario farmers. Beyond that, a fair and equitable exit program should involve some component of compensation for the quotas, the obsolete equipment and loss of income, and the ability to transition to something else in a meaningful way.

The Chair: Thank you for your presentation this afternoon.

1420

Mr. Barrett: On a point of order, Mr. Chair: It's not related to the content of Bill 164, but we have just been asked by the marketing board to seriously consider more hearings. I move that, first of all, the Ontario government consult with the remaining 137 applicants to testify, and, subsequently, as a result of this request from the board, that this Legislative Assembly committee hold additional hearings.

The Chair: You're putting that as a motion?

Mr. Barrett: I will put that forward as a motion.

The Chair: Could you have it in writing for the clerk? Further debate?

Mr. Wilkinson: Maybe not everybody in the room knows this, but all of us around the table who are MPPs know that this process is one where there is all-party agreement, through the subcommittee report that was voted on at the beginning of the hearings, with regard to the number of days we would sit. It seems to be a reversal of the position of one of the parties around the table that all of a sudden we shouldn't be doing what they agreed to just last week. I would have a hard time supporting something that is a flip-flop.

Mr. Barrett: I hear what you're saying, Mr. Wilkinson, about the all-party agreement. The House leaders—I wasn't at that meeting—did negotiate four days of hearings on this bill. However, 225 people applied to testify, and 137 have been barred from testifying. About a hundred people are here. One fellow in the front row has asked me again and again if he could have a few words. That's why I put forward this motion. I put it forward in writing, not to be debated next week. I ask for unanimous consent or for a vote. We're in a democratic society; whatever would be the best way. We have a serious problem—

The Chair: You have a motion on the floor.

Mr. Barrett: I would like to read the motion. You have it in writing, but I don't think the other members have a copy of it. I would like to read out the motion.

The Chair: We'll have Mr. Barrett read the motion so members are clear on what he has put.

Mr. Barrett: A motion to the legislative committee on finance and economic affairs:

Whereas the House leaders negotiated four days of hearings on the Smoke-Free Ontario Act but 225 people and/or organizations applied to testify; and

Whereas 137 people and associations have not had an opportunity to testify, for example, Avondale Stores Ltd. The Ontario Ministry of Health has not had an opportunity to testify before this committee. Imperial Tobacco. The medical officer of health for the province of Ontario, Dr. Basrur, has not had an opportunity to testify.

The Chair: Is this part of your motion?

Mr. Barrett: Yes, it is.

The Chair: It is?

Mr. Barrett: Taps Tavern, Toronto councillor Frances Nunziata; the Centre for Addiction and Mental Health.

Therefore, I so move that the Ontario government consult with the remaining 137 applicants, and subsequently, that this Legislative Assembly committee hold additional hearings.

The Chair: Further debate?

Mr. Fonseca: Chair, the process was democratic. The three House leaders did meet, negotiated the process and came up with the dates and the places that this committee would meet. I can say that our party would have liked to go to many different places and proposed that, but—

Interruption.

The Chair: Order, sir. We're under the same rules in the committee as we would be in the Legislature, regardless of the venue of the meeting.

Mr. Fonseca: Mr. Hardeman and Mr. Barrett's party did not want to go to many of the other cities, and they decided—your House leader decided—that you did not want to travel to the other cities. Even the mayor of Tillsonburg was not put on your roster.

Mr. Hardeman: I don't see the relevance of the arguments from the government side. The process is that the three House leaders make recommendations to the subcommittee, and the subcommittee brings those recommendations to this full committee for their acceptance as to what they believe needs doing. I've been in many of those subcommittee meetings and the full committee meetings, and the question always is, is the number of days at that point sufficient to hear from the public who want to speak? It's usually decided—in fact, we had a subcommittee meeting yesterday, and it was decided that the two days were going to be more than they would have presentations for, so they decided to make it just a day and a half.

If, at the end of it, more applications come forward from people who want to be heard, there is nothing inappropriate about this committee—there is no law. The Legislature didn't put a time frame on how many days they should meet. We're not under a time constraint; we're not under a closure motion. If this committee deems it appropriate to hear from the people who have put their names forward to be heard, they have every right to do that. If the government member opposite

deems that they would like to take this committee to some of the places that they were suggesting, I'd be more than happy to serve on the committee in any one of those venues, to have everybody heard who wants to be heard. This isn't about holding three more days here in Tillsonburg to hear all the good folks who have put their names forward. Many of these folks would be quite prepared to travel to your community in Mississauga to be heard, because they think it's important to be heard on this issue and the impact this bill is going to have on their lives.

There is absolutely nothing inappropriate about anybody putting forward a resolution to say that we, as representatives of the people of Ontario, the people of Oxford, the people who represent the tobacco industry—there's nothing inappropriate about us asking for more time so the government can hear the fallacy of this piece of legislation and the impact it's going to have on our communities. I take offence at the fact that you suggest we don't have the right to put this forward. I think that's totally inappropriate from a government member.

Ms. Judy Marsales (Hamilton West): I just wanted to bring to the attention of the committee that actually Councillor Nunziata did make a presentation in Toronto. All persons have the opportunity to make written submissions to this committee. It was the government that invited the mayor to bring greetings, and it was our motion that effected that presentation. That was in recognition of this wonderful community and the fact that they were hosting and listening. I'd like that to be taken into consideration.

Mr. Barrett: Flexibility is so important in this. We're a government committee of all three parties. We work for these people. We don't tell them what to do. We are here at their wish and at their bidding. You've indicated that people can send in their submissions in writing, and people were informed of that today. Regrettably, the deadline is 5 o'clock today. I know at least one person who had to get up and leave and drive back to their office to type up their submission to get it to the clerk by 5 o'clock today.

The Chair: I must interject here. As a point of information, the deadline for written submissions was in the advertising for the committee hearings. It didn't just happen today.

Mr. Barrett: I hear what you're saying. People were informed of that today. He got up and left to go home to the office, because he also was not allowed to testify. He hung around the hearings in Toronto yesterday but was unable to testify. Very simply, we live in a democracy. All I'm asking for is a vote. I'm asking for unanimous consent. I'm asking for some flexibility. This law, if it goes through, isn't going through for another year. We've got a year. We've got some time.

The Chair: Are we ready for the vote? Further debate?

Mr. Hardeman: I do respect and thank the government side for allowing the mayor—I kind of hesitate to say “allowing”—to bring greetings to this committee.

The members on the government side may not understand—and I want to thank Mr. Wilkinson; he was the one who actually arranged to have the mayor bring greetings—that the mayor didn't put his name forward to bring greetings on behalf of the town. He put forward his name to make a presentation to this committee so he would be afforded 10 minutes, the same as anyone else. He was treated very kindly by allowing him to bring greetings on behalf of the town. I don't think that's the same as saying, "We have sufficient time, and we want to hear from the mayor of Tillsonburg on what impact this bill is going to have on his community." I think it's unfair to suggest, "We were so gracious. We allowed him to bring greetings because we came to his town," as opposed to, "We allowed him to make a presentation, the same as any other presenter, on behalf of his community."

Ms. Martel: If I might just make two points, one with respect to the mayor: It is clear that because we had too many people who wanted to make presentations today, each of the political parties was asked to select eight people whom they wanted to be heard as first choices, and then eight people or organizations who would be alternatives. Each party representative did that. Mr. Hardeman, if you knew that the mayor was on the list—and you did—I think you should have put the mayor's name down as one of your eight choices. I understand that you did not. You put the mayor down as an alternative. So I find it a little hard to accept blaming the rest of the committee with respect to the mayor's presentation, when you, as the local member, did not even see fit to put the mayor's name down as one of your top eight choices. I think you should have done that.

1430

Interjection.

The Chair: Order. Ms. Martel has the floor.

Ms. Martel: You were aware that he was going to be a presenter. We all had his name. You and your party should have put down his name as one of your top eight choices.

Secondly, the government House leaders came, not on one occasion, but on several occasions, to each of their party's representatives sitting on this committee to ask us how many days we thought we would need for public hearings. We were asked on more than one occasion about how many days we needed. In fact, it is true that the government suggested and proposed more days for public hearings. It was all three parties that agreed to the schedule that we have had before us—four days. So the reality is the Conservatives were offered more days, and the Conservatives turned that down. I think that has to be said on the public record today. We have had our four days. We are at the end of our four days. This is the first time the Conservatives have raised a motion to actually extend the hearings—late in the day of the last day, which I find a little suspect, if they were truly concerned about public hearings. Let's be clear: The Conservatives turned down the offer of more days, and we moved forward with the package of days that we have abided by,

and I think that's the package of days that we should stick to.

The Chair: Further debate?

Mrs. Mitchell: I just want to add that this is the last day, and we're heading into the last afternoon, and we've heard a number of very, very good presentations. The government did put forward extra days, and now—I wouldn't want to call it grandstanding, but I'm not sure, because it's difficult to follow the process. It was put on the table that we would go for more days of hearings, but this is what was agreed upon. I really think it's terribly inappropriate and misleading that it comes from the floor today—changing the process at the very end of the last day.

The Chair: Further debate?

Mr. Hardeman: First of all, I just want to clarify the fact that I have not, until this morning, seen a list of anybody who wanted to present, so to suggest that I—

Interjections.

Mr. Hardeman: I'm not suggesting someone else didn't. I'm just suggesting someone may have, but I didn't. So I don't want it on the record that Mr. Hardeman should have known; Mr. Hardeman never saw it.

The Chair: For your information, all parties saw the list. It's not as if the list was secret.

Mr. Hardeman: She didn't say "the Conservative Party." She said "Mr. Hardeman." Mr. Hardeman had never seen the list. I just wanted to clarify that point.

The other thing: I think a very important point to make is that when they decided how many days we were going to have hearings, no one—not the Liberal government side, not the New Democrats, not the Conservatives—had any idea how many people would want to speak to this bill. I think that's really what the list is now.

If the government side doesn't want to hear the rest of the people, they have a right to vote that way, but I still put forward and support my colleague's resolution that we have further hearings to hear all those who want to speak.

The Chair: Further debate?

Mrs. Mitchell: Just a comment. When the government said that there could be more days of hearings, the government was in favour of moving forward in that manner. Let's be perfectly clear. Obviously, when the government suggested there should be more, they felt that there would be a lot of interest. We were quite surprised that you turned it down.

The Chair: Are the members ready to vote?

Mr. Barrett: Recorded vote.

Ayes

Barrett, Hardeman.

Nays

Fonseca, Marsales, Martel, McNeely, Mitchell, Wilkinson.

The Chair: The motion is lost.

REGIONAL NIAGARA
PUBLIC HEALTH DEPARTMENT

The Chair: I would call forward the Regional Niagara Public Health Department. On behalf of the committee, I apologize and appreciate your waiting. You have 10 minutes for your presentation. There may be up to five minutes for questioning after that. I would ask you to identify yourselves for the purposes of Hansard.

Ms. Linda Rix: Thank you, Mr. Chair and members of the finance and economic affairs committee. My name is Linda Rix; I'm representing Dr. Robin Williams, from the Regional Niagara Public Health Department. I apologize for Dr. Williams not attending today. She was called away, and she asked me to represent her. I do manage the tobacco control program and am very familiar with all the issues.

We want to thank you for the opportunity to make this presentation. What we want to discuss with you today is the experience in Niagara in implementing and enforcing tobacco control legislation that is not 100% smoke-free.

The regional municipality of Niagara encompasses 12 municipalities, and the regional council also has the role of board of health. Although the public health department recommendation has always been for 100% smoke-free public places and workplaces, at the political level there was not the will to establish tobacco legislation that would make the region of Niagara entirely smoke-free.

On behalf of the board of health and as required by the Ministry of Health and Long-term Care mandatory guidelines, the Region of Niagara Public Health Department worked tirelessly to move through established processes to implement and enforce a tobacco bylaw. On May 31, 2003, a bylaw was enacted that made public places and workplaces smoke-free but that at the same time allowed exemptions for casinos and private clubs, as well as the installation of designated smoking rooms.

This kind of legislation is fraught with myriad issues. It creates an unlevel playing field, which creates unfairness within the business community, it pits private clubs and businesses against one another and it creates unexpected and unbudgeted costs for consultation fees to establish designated smoking rooms and sizeable legal fees to defend the bylaw. The most important inequity is that workers in some venues are still exposed to second-hand smoke.

Since enacting it, regional council has recognized the inequities and shortfalls of the present bylaw. Discussions have taken place with respect to areas that need amendments to essentially strengthen the bylaw to a level that is equivalent to what is being proposed by the provincial legislation. However, given the triple-majority process now required under the Municipal Act and the time and resources this would entail, council has decided to seek redress via the proposed provincial legislation.

First, let me cover the unlevel playing field issue. Niagara has three gambling facilities that are exempt from the bylaw. They are Casino Niagara, Fallsview Casino and the Fort Erie slots. The Fort Erie slots also

operates several off-track betting, or OTB, venues that are in close proximity to and in competition with area bars. Since the OTBs are part and parcel of the overall gaming operation, they are also exempt. This gives a definite unfair advantage to the OTBs, and it has been reported that some smokers have left the nearby smoke-free bars to go to the OTBs, where they are allowed to smoke.

Further inequities are created by allowing designated smoking rooms, or DSRs, because only premises that are large enough in size or have ample enough cash flow are able to install a DSR. The costs for the ventilation systems alone can range from \$50,000 to \$100,000. The American Society of Heating, Refrigeration and Air Conditioning Engineers, commonly known as ASHRAE, does not set standards for second-hand smoke ventilation because no safe levels have been established by any credible body. Therefore, the only safe level of second-hand smoke must be set at zero.

Because of the patchwork of smoking bylaws throughout Ontario, many municipalities border on communities where there are less restrictive laws. This has been evident, for instance, in the town of Grimsby, which is housed in the westernmost area of the Niagara region. Grimsby abuts Stoney Creek, which is part of the city of Hamilton. Until recently, the city of Hamilton did not restrict smoking in bars, and some bars in Grimsby reported losing business to venues in Stoney Creek.

Second, the exemptions for private clubs have been challenging, to say the least. The Royal Canadian Legions within the Niagara region now appear to be in competition with the local pubs for business. The Legions certainly have an advantage: They often enjoy tax-free status from the local municipality, the beer and spirits are sold at lower costs than in bars, and to become a member, one only has to be a Canadian citizen. The memberships at Legions in Niagara are certainly on the rise, and the local taverns are feeling the pinch and complaining loudly.

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The other concern with these exemptions is that those in opposition decry the fact that the health departments are depriving elderly veterans who have fought for our rights. One has to realize that the veterans fought and often died for democracy and its institutions. They fought with valour and honour for the right of citizens to express their democratic wishes. The ultimate sacrifices that the veterans made for our country cannot be trivialized by the weak argument that it is a "right" to subject another person to the deadly effects of second-hand smoke.

It is also important to point out that the adult entertainment industry is using the private club issue as a guise to allow smoking within their premises. The Heritage Bicycle Club has sprung up in Niagara and in many other communities. We believe that bogus private clubs are being created to circumvent the tobacco bylaws. All of these cases are presently before our provincial offences court in Niagara.

Third, DSRs have created a costly implementation and enforcement issue for the health department, not to

mention a costly and short-lived solution for restaurant and bar owners. The DSR approval process has significant budgetary implications. For instance, in the first year, the public health department spent \$10,000 on engineering contractual services to ensure that the DSR applications met all the criteria. This does not cover the hundreds of hours of staff time. Now that the DSRs are mostly installed, the health department does not have the staff or skill sets to ensure that the DSRs are operating correctly. To add these resources would have major budget implications similar to the region of York, which reported a cost of \$160,000 annually for this initiative.

In the region of Niagara, there are 58 registered DSRs. It is important to note that during the application process, all of these facilities were informed several times of the pending provincial legislation and that that, when implemented, could eliminate DSRs. All of the premises decided to erect their DSRs in spite of the anticipated legislation.

Fourth, the exemption for the casinos has also been the basis for a legal challenge to the bylaw from the adult entertainment parlours. The adult entertainment claim was founded on the argument that both strip clubs and casinos serve alcohol and cater to clients over 19 years of age. While the corporation was successful in the original challenge, we are now awaiting a decision from the Court of Appeal. This challenge has cost the region of Niagara at least \$100,000, and, if we are unsuccessful, will cost another \$70,000 in costs. This was an unbudgeted item and creates an added burden to the tax dollar. Not only that; we have several cases, involving 36 premises or individuals and that include several charges for each premise, that are stalled before the provincial offences courts as a result of this appeal. Some cases have been in the system for almost two years.

Fifth, we have found many challenges with allowing smoking on patios, such as the construction of makeshift roofs or walls that come to just within inches of the ceiling. The largest problem is that there is still exposure from second-hand smoke for staff and patrons that has a negative impact on health. The construction of these patios has also created issues for the Alcohol and Gaming Commission of Ontario and fire and building departments.

Sixth, some have complained that Niagara lost revenue because of the 2003 implementation of a smoking bylaw. However, a long list of events have impacted not just Niagara but Ontario tourism as a whole, namely, SARS, the 9/11 disaster, a strengthened Canadian dollar, border security and congestion issues. For an economy that has a strong base in tourism and gambling, the aforementioned can have devastating effects.

My final and most important concern is the human health cost when exemptions and DSRs are allowed in a tobacco law. We have been unable to get a casino employee to come forward at these hearings for fear of repercussions at their workplace. However, I can tell you that our database shows that we have had complaints from 56 casino employees with respect to their exposure

to second-hand smoke, as well as calls from 105 casino patrons who have complained about their exposure. For every exemption or DSR, there is yet another worker who is exposed to second-hand smoke, with all the risks that carries. It is important to note that the health data with respect to exposure in casinos and bars is overwhelming, as is the data on the immediate and longer-term health benefits of eliminating second-hand smoke exposure for this unjustifiably vulnerable group of workers. To continue this in the face of the enormous body of data is risky in terms of exposing a defined group of workers to toxins and carcinogens. This creates looming legal liabilities for any level of government that stops short of full protection of workers from these totally preventable and hazardous workplace exposures.

I want to add that while there have been significant challenges, all has not been doom and gloom in Niagara. The restaurant and bar business is known to be a fluid entity, but many in Niagara are doing extremely well.

In January 2004, the public health department published a newspaper insert entitled "The Community Talks Back." Part of the issue was devoted to comments from the community. Let me share some of the comments with you.

Mark Klassen, from Niagara Falls, says, "I think it's great! I like the fact that I can take my wife and son out to a restaurant for a bite to eat and not have to worry about dealing with second-hand smoke. It makes it easier for us to get out as a family more often."

Tricia McCann, from Niagara-on-the-Lake, says, "What took us so long? Other large cities and towns in North America and across the world have had similar, if not stronger, smoking bylaws on the books for years. This is not a unique situation. We're just playing catch-up in Niagara."

The Chair: You have about a minute left.

Ms. Rix: OK.

"As a bar and restaurant owner, I've heard comments from customers and employees—everyone is feeling better. The staff is much happier working in a smoke-free environment, and not having our hair and clothes smelling like smoke at the end of a shift is great. This bylaw hasn't noticeably affected our business. Summer 2003 was tough throughout the hospitality industry, but not because of the new bylaw." That's from Kevin Blundell, managing partner of Stunning Joe Banks.

Dr. Williams adds that as medical officer during the days of development of the bylaw, she experienced much aggressive opinion from all sides of this issue. But now, three years post-implementation, she cannot tell you the number of Joe Public who have approached her at various events and functions across the community, expressing their thanks, their pleasure, their gratefulness and their strong support for the public health department and the board of health—even some who admit that they had been sceptical or opponents of the bylaw. People understand the smoking/second-hand smoke/disease connection and, in the long run, want us to do the right thing: to protect their health and especially that of their children and grandchildren.

We urge you to learn from the Niagara experience and enact the Smoke-Free Ontario Act without exemptions and without designated smoking rooms. Our workers, our residents and our visitors deserve no less.

Thank you.

The Chair: Thank you. This round of questioning will go to the government.

Mr. Phil McNeely (Ottawa-Orléans): I'm from the Ottawa area, from Ottawa-Orléans, and I was on city council when we brought in our bylaw. That level playing field is so important. After three or four years—I'm not sure which we're in in Ottawa; we might be into the fourth year—there's nothing I participated in as a council member that I've gotten more thanks for. I just basically agree with everything you said.

There's one thing you didn't cover, and it's very much of interest to me. I had about eight or 10 kids down from the schools in Ottawa yesterday as part of the Exposé program. They delivered 24,000 petitions to the Premier and to the Legislature to say, "Let's get on with Bill 164 and let's make sure that the power walls"—that was the issue the kids in Ottawa took up, the power walls. I thought they were right on. They did such a great job of it.

I personally consider the power walls the number one issue here. We've probably got something like 200,000 kids of each age level in our schools, so 200,000 kids are making that decision every year to smoke or not smoke. The evidence we received yesterday was that there was probably an increase of 50% in the smoking occurrence because of the power walls. If you look at 200,000 kids, 20% of them smoking, that's 40,000 young people; 13,000 of those a year are starting to smoke because of the power walls. That's the California experience. The tobacco industry is very interested in getting those 13,000 kids a year hooked and into a future that's going to mean poor health and, in many cases, premature death.

I was looking at a presentation earlier today from Harold Schooley, the research chair of the Ontario fruit and vegetables growers. Public health departments throughout the province have done an excellent job of bringing these issues forward and getting us to where we are. The presentation we received today was saying that diet and diabetes and the exercise thing in schools is a major health care concern. He was taking the position that we are in an agricultural area. My area is agricultural as well. Are your organizations throughout the province willing to tackle diet just as much and get people eating the vegetables and fruit that we should be eating? That will probably impact health on a scale that they're going to impact with the no smoking.

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The Chair: You have about a minute left for an answer.

Mr. McNeely: We have schools that are already starting that. St. Peters got through the cigarettes two years ago. Is that the next stage? Are we likely to pursue that just as strongly as we pursued cigarettes, as a result of which I think we're getting wonderful results?

Ms. Rix: Yes, that is true. At the moment, we are beginning in Niagara, and province-wide, obesity strategies. The lessons we have learned from tobacco, and how we have changed social norms over the years, have moved along and we have done comprehensive programming and strategies to change behaviour that are going to be used in a similar fashion for an obesity strategy that will tackle families, children and workers and in all those same venues that we have used to tackle the tobacco issue. Yes, that is happening.

In Niagara, it is a very new project, and we're very excited about it. As I said, it's a whole lifestyle issue. It's within what we call our chronic disease prevention division, which tackles all of these issues together and we work in concert.

Mr. McNeely: You've done a wonderful job.

The Chair: Thank you for your presentation.

CANCER CARE ONTARIO

The Chair: I call on Cancer Care Ontario to come forward, please.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I'm going to ask you to identify yourself for the purposes of our recording Hansard.

Dr. Michael Sherar: My name is Dr. Michael Sherar. I'm the vice-president for the London regional cancer program, London Health Sciences Centre. I'm also vice-president, regional cancer services, London region, for Cancer Care Ontario.

First, I'd like to thank you for this opportunity to appear before the committee. I've provided a written submission which I hope you will receive a copy of.

I appear today on behalf of Cancer Care Ontario to express our full support for Bill 164. The implementation of 100% smoke-free public and workplace legislation and comprehensive bans on tobacco marketing, which include bans on the display and promotion of tobacco products at point of sale and in other settings, are integral components of a comprehensive tobacco control strategy. These measures will help to protect and promote the health of all Ontarians by directly addressing tobacco use, the leading cause of preventable illness and death in Ontario and Canada.

Cancer Care Ontario is an agency of the government of Ontario and acts as the government's principal adviser on cancer issues. CCO is responsible for long-term planning of the cancer care system and financing and co-ordinating large parts of that system. We are responsible for setting direction, providing leadership and funding cancer surveillance, prevention, screening, research, treatment and supportive care.

Let me begin by providing you with some of the facts related to the growing cancer burden in Ontario and the role tobacco plays in creating that burden. These facts are supported by the data that is contained in our written submission.

Like many other chronic diseases, cancer creates a high burden of suffering and cost for Ontario today. Unlike other chronic diseases, however, the cancer burden will increase significantly over the next 25 years. We estimate that, in 2005, almost 60,000 Ontarians will be newly diagnosed with cancer and over 25,000 deaths will be registered from cancer.

Barring dramatic changes in prevention and screening activity, the number of newly diagnosed cancer cases in Ontario will increase by two thirds by the year 2020. The overall incidence of cancer in Ontario is growing, driven in large measure by population aging and population growth.

Tobacco is the single most important cause of cancer. In Ontario, one quarter of all cancer deaths are due to tobacco. The link between tobacco use and premature death and illness is clear and undisputed. Every day, approximately 50 Ontarians die as a result of tobacco use. Over the past 50 years, almost half a million deaths have occurred among Ontarians that can be directly attributed to tobacco. In 2005, it is expected that there will be more than 15,000 tobacco-attributed deaths among Ontarians.

Among all of this bad news, the good news is that the people who stop smoking substantially reduce their chances of dying from cancer.

Involuntary exposure to second-hand smoke is also an important cause of premature death and illness. Second-hand smoke is classified as a human carcinogen by three internationally recognized scientific bodies, including the US Environmental Protection Agency, the US national toxicology program and the International Agency for Research on Cancer. More specifically, the IARC has concluded that there is sufficient existing scientific evidence to conclude that exposure to second-hand smoke is a cause of lung cancer in people who have never smoked.

Researchers estimate that between 1,100 and 7,800 deaths each year in Canada are caused by exposure to second-hand smoke with at least one third of these deaths occurring in Ontario. Our own conservative estimate is that, for 2001, 151 Ontarians died from lung cancer attributable to involuntary exposure to second-hand smoke in the home.

Comprehensive smoking bans like those proposed in Bill 164 provide the most effective protection for all Ontarians against exposure to second-hand smoke.

There is growing evidence associating smoke-free workplace bans with reductions in smoking prevalence and tobacco consumption. A recent study found that complete smoke-free workplace bans are associated with a 3.8 % reduction in smoking prevalence, and 3.1 fewer cigarettes smoked per day by a continuing smoker. Research conducted by the Ontario Tobacco Research Unit supports the corollary position. Workers employed in settings without smoking restrictions are 2.3 times more likely to be daily smokers than those working under complete bans. Daily smokers working under no-smoking restrictions also smoked 4.7 cigarettes per day more than those working under complete bans.

It is clear that the Ontario taxpayer is paying a heavy price when it comes to health care costs associated with treating tobacco use. In 1992, the direct health care costs associated with smoking in Ontario were approximately \$1.1 billion. The estimate, however, represents only a minority of the real economic toll of smoking because the costs associated with lost productivity and earnings as a result of illness, disability and death are estimated at an additional \$2.6 billion.

Specific to cancer, recent data indicate that the costs of tobacco-attributed hospitalizations and day surgeries among cancer patients for fiscal 2001-02 are conservatively estimated at approximately \$134 million. This amount only represents direct hospital costs and does not include physician billings and outpatient drug costs.

Smoking exacts a devastating toll, cutting lives short and robbing Ontarians of their productive years. In 2001, we estimate that approximately 218,000 total years of life were lost due to premature death from tobacco use in Ontario. This amounts, on average, to approximately 14.1 years of life lost per smoking death. The average is higher, however, among Ontarians who died from cancer-attributed smoking death at about 17 years of life lost per cancer-attributed smoking death.

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Cancer Care Ontario supports a complete ban on the retail display of tobacco, without exception. As such, CCO recommends that the clause "except in accordance with the regulations" be deleted from the proposed subsection 3.1(1) of the Smoke-Free Ontario Act. Comprehensive advertising bans can reduce tobacco consumption. A recent study has found that comprehensive advertising bans would reduce cigarette use by 7.4 %. A comprehensive tobacco strategy has been shown to be associated with reductions in the prevalence of tobacco use and in the burden of tobacco-attributable cancers and other diseases.

Cancer Care Ontario and the Canadian Cancer Society have established long-term cancer prevention and screening targets for achievement by the year 2020. To achieve the tobacco use reduction targets set for 2020, a comprehensive mix of tobacco control policy and program interventions is required. We estimate that over 6,000 premature cancer deaths could be prevented in Ontario by the year 2020 by implementing a comprehensive tobacco control strategy. Smoke-free public and workplace legislation and comprehensive marketing bans, such as those contained in Bill 164, are critical policy components of such a strategy.

To close, Cancer Care Ontario fully supports Bill 164 and recommends that the following measures be undertaken to reduce the burden of tobacco-caused illness and death in Ontario:

- Implement comprehensive 100% smoke-free workplace and public place legislation, without exemption.

- Implement comprehensive restrictions on tobacco industry advertising and promotion, including complete bans on the point-of-sale display and promotion of tobacco industry products, without exemption.

Immediately raise the price of cigarettes in Ontario to the national average, with subsequent increases to match price levels in the highest province or neighbouring state.

Finally, implement a comprehensive and coordinated tobacco control strategy in the province of Ontario, with sustained funding at levels consistent with internationally recognized best practice guidelines.

I'd like to thank you for the opportunity to indicate our support for Bill 164.

The Chair: Thank you. This round of questioning will go to the official opposition.

Mr. Barrett: Thank you, Dr. Sherar, for the work you do in the London region to fight cancer. There is nobody in this room who is not concerned about cancer or who hasn't contributed funds, probably, to assist in the fight against cancer.

It's important for us as a committee to continue to try to get answers. The London region is downwind from Detroit. As I understand it, 90% of Windsor's air pollution comes from Detroit. I'm not referring to second-hand smoke coming from Detroit residents; I'm talking about tonnes of airborne pollutants that come this way. In this neck of the woods and in my riding, we share a common airshed with the Ohio Valley, Pennsylvania. I know, from priming tobacco a number of years ago, the spots on the leaves were ozone pollution coming from across the border. Some 50% of Ontario's air pollution does come from our neighbours to the south.

You may not have the statistics, but we had a World War II veteran testify. Since the Second World War, there has been a fairly significant reduction in the use of tobacco. Over that 60-year period, we've seen a reduction in the use of tobacco, and you've just explained that we're seeing a very significant increase in the rate of cancer and tobacco-related cancer. How do you square that?

Dr. Sherar: I think cancer incidence and prevalence is increasing primarily due to the aging population, and although tobacco use may have declined, the population is getting older. But if you look at the statistics around tobacco use and its relationship to cancer, it is clear that fully one quarter of all cancer deaths are caused by tobacco use. Of course, a host of other health problems is associated with tobacco use. I don't dispute that there are other significant causes of cancer, but the single biggest preventable cause we have in front of us is tobacco use, and it is a major killer in the context of cancer, as it is in the context of other diseases.

Mr. Barrett: In terms of demographics, we're aware of the aging population. We also hear testimony that those who smoke die prematurely. I imagine there are figures; maybe you have some trends here. To what extent do smokers die prematurely, and secondly, to what extent do non-smokers die prematurely?

Dr. Sherar: If you look at the longevity of non-smokers versus smokers and you look at tobacco-attributable cancer deaths, the average number of years of life lost is 17 associated with cancer and 14 associated with tobacco use in all. So if you look at the average number

of years of life lost by premature death due to tobacco use, it's 14.1 years, and 17 years if you look at cancer on its own.

Mr. Barrett: OK. Statistically there's less chance they would be in that aging population.

Just to go back, the research on cancer—I know we received a tremendous amount of data yesterday. I don't think everybody took it with them; some of the government members left it on their desks. Anyway, to get a feel for it—I don't have the data on Windsor, but Toronto's downwind from Hamilton, for example. Are there hot spots in the province for the incidence of cancer? Are there some cities or some areas in the province where people have more cancer than others?

Dr. Sherar: If you look at the Cancer Care Ontario Web site, you'll know that just this week Cancer Care Ontario published the first report card on quality indicators with respect to the cancer care delivery system. On that Web site, you can find all those projections of incidence and prevalence values of cancers of different types, region by region, across the province. There are some variations with some types of cancer, as there are variations with tobacco use across the province, as you're probably well aware, but behind those variations, we're talking about thousands and thousands of people who are dying prematurely as a result of tobacco use. So one can look at small variations across the province with respect to different types of cancer, but if one looks at the tobacco problem, it's a huge factor on top of all of that.

The Chair: Thank you.

Mr. Barrett: So is there a positive correlation between the high-cancer areas and high-smoking areas?

The Chair: Your time has expired.

Mr. Barrett: I didn't get my question in.

The Chair: Your time has expired.

Mr. Barrett: But statistically, is there a positive correlation between a high-cancer area and a high-tobacco-smoking area?

The Chair: You can answer if you care to, but your time has expired, Mr. Barrett.

Dr. Sherar: I'm quite happy to answer. There is a clear correlation between tobacco use and lung cancer and other types of cancer, as there is with other types of health problems. That is clear and undisputed, I would say, by almost all parties in the literature. The numbers, as I say, are in the thousands.

The Chair: Thank you for your presentation.

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DELHI DISTRICT GERMAN HOME

The Chair: I would call on Delhi District German Home to come forward, please. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I ask you to identify yourself for the purposes of Hansard. You may begin.

Mr. Joe Csoff: My name is Joe Csoff and I'm the vice-president of the Delhi District German Home. Good

afternoon, committee members, and welcome to Tillsonburg. My purpose in speaking to you today is twofold. I'm the vice-president of a local banquet facility, and I'm also a community member and citizen who has an opinion to share about Bill 164.

In our society today, it is not only encouraged but expected that we tolerate each other's race, physical disability, sexual orientation, colour, religion, social status, age, gender, height, weight, nationality—the list goes on and on. Why, then, is it acceptable for the government and anti-smoking groups to openly discriminate against smokers, deeming them to be social misfits?

Are smokers doing something illegal? Are they immoral? Are they bad people? Do they deserve to be shunned by their government and be stereotyped as losers? Why is this double standard allowed? You may not like the personal decisions a smoker has made, but that's OK; that's your choice. However, there are 1.8 million smokers in Ontario who are informed adults making a decision for themselves, and they have the right to be treated as any other Canadian citizen: with respect. Our government has lost sight of the fact that adults in Ontario can think for themselves and don't need a regulation to define everything they do.

This is where the anti-smokers start to cringe. This is where they ask the government for a few more million dollars to help fight their cause. This is where they say, "But what about the children? What about the health care costs? What about my right not to smell your smoke?" Let me respond.

First, the children: No responsible adult anywhere condones smoking by children. Let's be clear about something: Smoking is an adult's choice, and businesses and individuals who provide cigarettes to minor should be prosecuted. There are many decisions in life that should be left to adults, and whether or not to smoke is one of them. Tobacco companies and tobacco farmers have been painted as villains who want to hook young people on tobacco. What a disgusting accusation.

On the outcry over health care costs: The anti-smoking lobby would have you believe that health money is being wasted because of irresponsible smokers. Let me ask you, what are the health care costs resulting from car accidents because people are careless and drive too fast? Should the government ban highway driving? What are the health care costs associated with obesity, especially the future cost of child obesity? Should the government ban doughnuts? What about costs pertaining to stress in the workplace and especially about the multitude of health care costs associated with alcohol abuse? My point is, everyone needs health care, for whatever reason, at some time in their lives. If the government is truly worried about the burden smokers are putting on the health system, they need only earmark a small portion of the billions in tax dollars they collect annually from the sale of tobacco products.

Now the big one: "I don't want to smell your smoke." I think the solution to this problem is a simple compromise. Restaurant owners found their own establishments;

therefore, let them decide what sort of business they want to operate. They will advertise their business as a smoking business or a non-smoking establishment. Patrons will decide where they want to go. Everyone is happy. The owners have control of their investments and patrons still have their right to choose. Where a public facility is deemed smoke-free, a smoking room or shelter must be allowed to be provided to accommodate smokers as an alternative to a total ban.

As I mentioned, I am the vice-president of a banquet facility, the Delhi District German Home. We operate in the community of Delhi and have succeeded by using the principle of choice and freedom. This is what brought our ancestors to Canada from Europe, leaving behind the oppression that historically faced Europeans. Have we lost the basic right of choice and freedom in our own country? It is ironic that our Canadian veterans fought for choice and freedom and now their choices and freedoms are being taken away at our Legions. At the German hall, we allow those renting our facility to choose if it will be a smoking or non-smoking function, and we provide an outside shelter for smokers when necessary.

It has been made clear to us by our guests that if smoking were not available in our hall, more private functions would take place, such as backyard tent and house parties. Of course, none of these venues would adequately address water supply, sewage handling, fire hazards or ventilation. If you're worried about regulations, stop for a minute to think about these get-togethers.

There's one more issue that must be addressed today. At a recent wedding reception in the city of Mississauga, the president of our German Home was enjoying a cigarette outside with approximately 10 others. He was the only smoker who had purchased his cigarettes legally; every other smoker had obtained his cigarettes illegally through the black market. This government is losing control of this industry. As during Prohibition, the black market will continue to flourish unless government attitude toward smoking changes.

I hope my opinions have had some impact on you today. The 1.8 million adult smokers in Ontario are doing nothing wrong except enjoying a legal product. They deserve fair treatment.

The Chair: In this round, we go to the NDP.

Ms. Martel: Thank you very much, Mr. Csoff, for making your presentation here today. You've expressed your position on this, which I appreciate; I'd like to express mine to you. I don't really have a question but you can feel free to comment on what I have to say, because I think you are entitled to know at least what my view is. I can't speak for anybody else, but I'm the one in this round doing the questions.

The issue for me has never been whether or not people should or could smoke, or whether or not legislators should tell people whether they could or should smoke. The issue for me around this legislation is the right of people not to be subjected to second-hand smoke, because those folks don't have a choice about that.

We have heard lots of testimony from people, including public health inspectors, about designated smoking rooms, for example. It leads me to conclude that designated smoking rooms do not work and will not work. In too many establishments the door is left open, the ventilation is not on or the room is constructed improperly, so that people in a restaurant are subjected to second-hand smoke coming out of that supposedly designated smoking room.

Secondly, we've heard testimony from a number of workers who have said they didn't have a choice about not going into a designated smoking room. They felt that their job would be on the line if they told their employers that they didn't want to go into that designated smoking room to serve. Even though they didn't want to be there, they felt they had no choice. We know that in this industry, which is low-wage and non-unionized, there is a real threat, a real potential for intimidation and a real fear of people losing their jobs.

We know that in Legions—because I know this in my own area—even in the club room, there is an employee behind the bar who is selling alcohol, food or Nevada tickets. I see the point of this legislation as protecting that employee from the second-hand smoke that would be in the club room or in the area that the Legion might rent out to other people to use as a facility.

That's how I see it, and that's why I'm supportive of the legislation. What I'm trying to do is make sure that people who don't want to be subjected to second-hand smoke in their place of work or in a public place will be sure that they don't have to be subjected to that second-hand smoke, because I think the evidence is clear that second-hand smoke is a killer.

So we have a difference of view in terms of choice and rights. That's how I perceive it. That's what I'm wanting the legislation to do: to make sure that in workplaces and public places, no member of the public has to be subjected to second-hand smoke if they don't want to be.

1520

Mr. Csoff: This is true, but, like I said, if a restaurant decides to designate itself as a smoking restaurant, you know that when you go into that place. So why is there a problem?

Ms. Martel: What do you do with an employee who is a worker in that restaurant? Maybe they've had their employment in that restaurant, maybe they depend on that employment. Should someone have to give up their employment, their income source, because they don't want to work in an environment where there are smokers? Should someone actually have to give up their income, their livelihood, in that circumstance?

Mr. Csoff: You're talking about a situation where—I'm talking about, let's bring in the proper legislation. If that person wishes to work—they have that choice. They are an adult. Maybe I'm presuming this, but they are an adult working in this. They have a choice, as does everyone else in Ontario.

Ms. Martel: You see, I don't think they have a choice. Let me tell you about some of the testimony that

we heard from workers in the hospitality sector, workers who came to this committee and said that even though they did not want to go into the designated smoking room, because that was for smokers only, and they weren't, and they didn't want to be subjected to second-hand smoke, they knew that if they told their employer no, they were going to lose their job. That is a reality in the hospitality sector. No worker should have to lose their job because they don't want to be subjected to second-hand smoke. No worker should be subject to that. I think that's the point of this legislation.

Interruption.

The Chair: Order. Order in the room.

Ms. Martel: We've talked about tobacco farmers, and I've been very specific to say that this government, federal and provincial, has to be looking at compensation and a transition strategy. I've been very consistent all day in saying that. I say it to the folks at the back. But this is about people not wanting to be subjected to second-hand smoke and being assured that they won't have to be, in their place of employment and in a public place. We should be doing everything we can to protect those people, because we know at the end of the day that second-hand smoke kills. We know that, and we should be doing something about protecting the rights of people so they are not subjected to second-hand smoke under those circumstances.

Mr. Csoff: Well, in my presentation, in public places, my recommendation was that a shelter be permitted to be built, not necessarily inside. I didn't say smoking rooms. My presentation had nothing to do with smoking rooms. But why do people have to go out into the cold or the rain to have a cigarette? Why can't that company say, "No smoking in our establishment, our place of business. If you want to smoke, step outside into the shelter." There's nothing wrong with that. This legislation does not allow for that.

The Chair: Thank you for your presentation.

I call on the Canadian Auto Workers, Local 444. Are they here?

ONTARIO LUNG ASSOCIATION

The Chair: The Ontario Lung Association.

Ms. Heather Roberts: Good afternoon. Thank you for taking the time today to meet with us and allow us to voice our opinions and beliefs. My name is Heather Roberts. I am the community project assistant at the Ontario Lung Association, representing the area of Sarnia-Lambton, London-Middlesex, Elgin and Oxford counties.

The Ontario Lung Association is Canada's foremost lung health organization, which began its work in 1900 to control the spread of tuberculosis. Now, over 100 years later, the lung association is concerned with focusing our efforts on three major areas affecting lung health: asthma, air quality and tobacco-related lung diseases, including chronic obstructive pulmonary disease, which is also known as chronic bronchitis, and emphysema. Our

primary work involves medical research, education and the promotion of healthy living.

To begin, on behalf of the lung association, I would like to commend the government of Ontario for bringing forth Bill 164, the Smoke-Free Ontario Act. We believe this is a positive, progressive movement in health care that we can all embrace, taking truly a deep breath to celebrate. As we know, when you can't breathe, nothing else matters.

I do have a few comments that I would like to briefly address in relation to Bill 164. While the legislation includes protective measures, there are a few concerns that we have as we move forward.

Retail display bans of cigarettes: When Health Minister George Smitherman announced the smoke-free legislation back in December 2004, he promised a ban on the retail display of cigarettes. As the legislation is currently written, this ban is in danger of regulations that will allow retailers to continue to display these deadly products in a way that we at the Lung Association strongly oppose. We request that the government remove the phrase "except in accordance with the regulations" in clause 3.1(1)(c) of the bill.

A ban on tobacco advertising and promotion will advance several objectives. It will reduce tobacco use, protect children from exposure to tobacco promotion, enhance the effectiveness of educational messages, including package health warnings, and finally, it will reduce youth access to tobacco products by assisting enforcement of, and compliance with, tobacco-sales-to-minors legislation.

The rationale for this is very simple: The Supreme Court has now validated Saskatchewan's law; there is ample research demonstrating the effect of power walls on children, some of which we have heard at these hearings; displays of cigarettes can be replaced by displays of other non-toxic consumer products for which retailers will be compensated; and removing displays also reduces a major trigger for smokers who have already quit but who may be tempted to start again by seeing some of these displays.

Most importantly, we need to think about the health of our youth. A future where we continue to be bombarded with the message that it is OK or normal to smoke is a future that continues to be riddled with the devastating diseases and deaths that smoking causes. In the interest of health, ban retail displays of tobacco products, with no exceptions. From what I understand, several youths have come forward at these hearings to share their views regarding this matter. As well, a strong message has been delivered from all of the health agencies regarding this important issue. If we do not act now to ban retail displays, we will be passing the devastation on to the next generation, a legacy which I'm sure none of us wants to leave to our children.

Designated smoking rooms: The lung association strongly opposes ventilation of any kind. We urge all MPPs to uphold the government's current intention to eliminate all DSRs as of May 31, 2006. Exposing

workers to second-hand smoke in designated smoking rooms sends the message that health is of secondary concern behind that of business. All Ontarians, regardless of their occupation, deserve protection from second-hand smoke. There is no safe level of exposure to second-hand smoke set anywhere in this world; therefore, there is no way to protect those using and working in the DSRs. The only way to eliminate second-hand smoke from indoor air is to remove the source.

DSRs simply do not work. In the region of York, 103 DSRs were built between 2001 and 2004. These were all tested, and 78% of these DSRs failed the operational tests. Many proprietors leave the doors open, turn off the ventilation systems to save electricity or simply do not maintain them properly. They allow children into them and require workers to work in them. These failing test scores mean failing health, and that is not an acceptable score for Ontarians.

To sum up, 16,000 people will die this year of tobacco-related illnesses and countless others will suffer from the effects of tobacco use. If any reason at all can be found to ban smoking in our province, let it be the memory of those who have gone before us and those who live each day from breath to breath. I too am an asthmatic person and, on a personal level, completely support this legislation. Thank you very much for your time.

I would like to introduce to you my colleague Kelly Muñoz, a registered respiratory therapist, who is going to share his perspective.

Mr. Kelly Muñoz: Thank you. My name is Kelly Muñoz, and I am a respiratory therapist. I'm also a member of the Ontario Lung Association's board of directors. I've been a respiratory therapist for about 15 years now. I currently work in the home respiratory care field, working for a company called Professional Respiratory Home Care Service Corp. Our primary business is providing home oxygen to clients with lung disease, in their home. I live and work in the city of Stratford, in Perth county, and I'm going to share experiences from there.

1530

I'm really here today because for years I've seen first-hand the devastating effects of tobacco smoke. Our clients are referred to our services after many years of suffering with lung disease caused from tobacco smoke and are with us seldom more than one to two years before passing away from their disease. Despite the relatively short time they're with us, we develop fairly close relationships with these folks and their families and see the suffering they go through.

Why do I support a 100% smoke-free Ontario? Perhaps you will let me provide a few statistics for you.

You're likely aware that the smoking rate for Ontarians over 12 years of age is at 20%. In Perth county, our rate is a little bit higher, at about 23%. As a result of this, we have about 100 residents of Perth county who die each year directly from smoking-related disease. That amounts to one in every six deaths in our area attributed to the harmful effects of tobacco smoke.

Tobacco use remains the single most significant cause of preventable illness and death in Canada. Chronic obstructive pulmonary disease, better known as COPD, lung cancer and heart disease have been scientifically linked to tobacco smoke. As well, second-hand smoke is a major contributor to other diseases, such as asthma.

Up to 20% of smokers will go on to develop COPD in their lifetime. In fact, 90% of all COPD cases are directly caused from tobacco smoke. Focusing on that group, while regional statistics for COPD are hard to find, we know that more than 750,000 Canadians are known to have COPD. Using those numbers to extrapolate into Perth county, we probably have our share, about 2,300 residents, suffering daily from the effects of chronic lung disease. In fact, experts believe these figures may actually be doubled, in that it's under-reported and under-diagnosed. COPD is the fourth most common cause of hospitalization for men in Canada; the sixth most common for women. More than 20% of all visits to family physician offices are due to COPD and asthma.

In Ontario, the Ministry of Health has a budget of over \$56 million allocated to their home oxygen program. This program provides funding for residents of the province suffering from lung disease and/or palliative disease. The majority of the budget is spent on people with lung disease.

While these numbers are significant and important, the devastating effects tobacco smoke has had on Ontario families is tragic. Living with COPD is an incredible burden for both the patients and their families. Those of us with healthy lungs take breathing for granted; people with lung disease know better. They suffer significantly just trying to perform basic daily activities. Simple things like bathing, getting dressed, preparing meals are a struggle for them and they often have to sit down in the middle of that task to catch their breath. It's no wonder that many of them find the task of leaving the home to shop for groceries simply overwhelming and remain housebound.

Remember that, for many, these struggles begin in their early 50s, maybe into their 60s, and if you asked them 25 years ago when they began smoking what their life would be like when they hit the age of 60, their answer would be starkly contrasting. It is rare to find a smoker willing to acknowledge that their retirement years may come with such a burden, and those who do realize this, end up being non-smokers.

The Chair: You have about a minute left in your presentation.

Mr. Muñoz: In some cases, the only social activity available to these folks with chronic lung disease, particularly in rural settings, is to go out and participate in social activities in the community. Usually it involves places like a Legion or a private club. In Perth county, we have exemptions in our smoking bylaws, as they are now, that allow smoking in these places. So essentially people with lung disease are not allowed to go in there if they're going to suffer from that exposure to tobacco smoke, and therefore they're kept out.

Therefore, I fully support the move to a smoke-free Ontario. Further, a ban on retail tobacco displays is absolutely necessary to protect our youth from the aggressive tobacco marketing campaigns. Tragically, too many Ontarians know from first-hand experience that when you can't breathe, nothing else matters.

The Chair: Thank you. The questioning will go to the government.

Mr. Wilkinson: Thank you so much for coming to Tillsonburg today. I know, of course, of the great work you're doing in my riding. As someone who suffers from asthma, I never smoked, but when I was a teenager I worked at the Knights of Columbus bingo, back 20 or 30 years ago when smoking was allowed in public everywhere. I was about 18. I did that for about two years and I ended up with asthma. So I'm aware of that ability not to breathe. We've had people with COPD come to the Legislature and have a day and explain their life. I wanted to ask you, Kelly: When someone with COPD is out in public and they end up being exposed to second-hand smoke, could you tell us what, physically, that means to them?

Mr. Muñoz: Probably the best way to explain that would be to start off by trying, yourself, to breathe through a straw for several minutes at a time, continuously. That's what they live with daily, every minute of the day. All you need to do is add some kind of exposure to anything that's going to irritate their lungs and their airway, and smoke, pollution, a number of things will do that. They can have a worsening effect, and end up, not in a very long time, in a hospital emergency room with all kinds of troubles, and that ultimately is what leads to a lot of their downfall.

Ms. Marsales: Thank you, Heather and Kelly, for coming today. Two things: This is confession day, but I too am an asthmatic, and also am a former smoker. In Hamilton West we have one of the finest respiratory facilities in the province at St. Joseph's Hospital. My question is to both of you. As I drive down a highway these days, I see more and more automobiles that have become DSRs. But worst of all, in the back seat are the children. I know there has been some advertising around second-hand smoke, but it strikes me that this is like a container in which the child is subjected to second-hand smoke. Is there anything more that can be done to bring this to the attention to families?

Ms. Roberts: Certainly we at the lung association do the best we can to inform people. We have 1-800 numbers people can call to get information about smoking, how to quit, how it affects their health as well as the health of their loved ones, their friends, their family. We are always there to answer questions and provide information to them. Short of that, I'm not sure what else we can do. Right now, we are focusing on Bill 164, to get it started, to get it so that at least in public places we've got that going.

Mr. Fonseca: I'd like to thank Kelly and Heather and the Ontario Lung Association for their fine work. This bill has a number of focuses, one being protection in the

workplace. We have heard a number of deputations where some workers have come in and said that when they first started working in a place, they didn't have a problem with any kind of illness, but that once working in a smoky environment they have contracted different illness, like COPD or asthma. To Ms. Martel's comments to the previous presenter, they really have been forced to leave their jobs because their health has taken a toll for the worst and they've had to lose that income stream for themselves. So this piece of legislation will make sure that that does not happen across this province of Ontario.

One other quick thing: I've spoken to a lot of smokers who have said, "I want this piece of legislation to come forward, and I want it to come forward quicker." They say that when there are barriers to smoking, as Dr. Sherar from Cancer Care Ontario presented earlier, they smoke less, and if they smoke less, they can take that next step to stopping smoking. I think that's a big help with many smokers in this province, and we know that many of the smokers do want to quit. Can you comment on that?

Ms. Roberts: Absolutely. In the Sarnia area, we have two volunteers who came to me and said, "I want to stop smoking. How can you help me?" We provided them with all the information they needed, but they needed something to keep them busy. So we put them to work. Of course, at the lung association, you're not allowed to smoke. That goes without saying. They have since been helping out at events, helping out in the offices, and keeping themselves busy and making themselves more aware, and they have been able to quit smoking. That is exactly they were looking for.

The Chair: Thank you for your presentation.

1540

PERTH DISTRICT HEALTH UNIT

The Chair: Will the Perth District Health Unit please come forward.

Perhaps while they're trying to discover whether that's going to work or not, I will tell you, although I think you know this now, that you have 10 minutes for your presentation, and there could be up to five minutes for questioning. Perhaps you could identify yourselves for Hansard.

Dr. Rosana Pellizzari: My name is Dr. Rosana Pellizzari. I'm the medical officer of health for the Perth District Health Unit. I have speaking with me today two students from Listowel secondary school, and they can introduce themselves.

Ms. Laura Matheson: My name is Laura Matheson, and I'm 17 years old.

Ms. Katelyn Smith: My name is Katelyn Smith, and I'm 16.

Dr. Pellizzari: They're part of a delegation of students that has come down by bus today to be with us and experience democracy at work. I was very happy to have both Katelyn and Laura accompany me.

While we're waiting to see if we will get the technology work, in my submission, at the back, I have

included copies of my PowerPoint presentation just in case we couldn't get things to work. What I may do, then, if the projector does not co-operate, is just refer you to those slides at the back of your handouts.

The Chair: Yes, we should move ahead.

Dr. Pellizzari: So should I just go ahead and begin?

The Chair: Yes, if you would, please.

Dr. Pellizzari: I'm here to let the committee know that Perth county residents support 100% smoke-free public places and workplaces. Data from the city of Stratford survey done in May 2003 revealed very strong support for smoke-free restaurants, bars, bingo halls and bowling alleys. Our Perth county municipalities need and support stronger provincial legislation. We heard that time and time again at public forums and council meetings. In fact, if you turn to the third page in my submission, you will see our bylaws for the six municipalities within Perth county. What you will notice is that four have passed bylaws in 2004 and two are awaiting provincial legislation. We have in fact a perfect patchwork quilt of bylaws.

Among the six municipalities in Perth county, smoke-free bylaws vary considerably, including two municipalities that have decided to wait. West Perth, at the very bottom of your chart, has passed the strongest bylaw, even stronger than Bill 164, thanks to concern for a war veteran who wanted to take his grandchild to the Legion. In West Perth, they believe that it is good and it should be safe for all young children and people to visit the Legion.

Stratford, our largest urban centre, with a significant hospitality sector, has just celebrated its first anniversary of 100% smoke-free restaurants and bars. Despite the fact that many visitors to Stratford are from other parts of the province, the country and from the US, Stratford city council and its bar and restaurant owners have already made the transition to smoke-free, proposed in Bill 164. By passing Bill 164, the province would be catching up to places like St. Marys and Stratford, two urban centres highly dependent on revenue from tourism, and levelling the playing field for our local business providers.

If you refer to slide 2, you'll see the types of support we had in the public during the time we were passing the bylaw in Stratford. You can see that in fact 95% of people reported no change in how often they frequented these newly smoke-free establishments. In some cases, frequency of visits went up.

Designated smoking rooms are problematic and should not be allowed. They are difficult and expensive to enforce. Evidence for their efficacy is lacking. We have no evidence that ventilation eliminates the risk from the carcinogens and chemicals present in ETS. We have no evidence that the designated smoking rooms in Perth county are being inspected or regulated effectively. May 2006 remains a reasonable date to sunset existing DSRs in Perth county and address the unfair advantage that larger establishments currently enjoy when it comes to the feasibility of housing a DSR.

My third point is that funding from the province for local enforcement of the new bill will be important.

We've noted in some communities compliance with existing legislation slipping over the last several years. For example, in Perth East, our test shoppers in 2004 revealed a compliance rate of only 63%, down from 71% the year before. If you refer to slide number 3, you will see local Perth county survey data which reveal that almost half of Perth residents are not aware that it is illegal to sell tobacco to youth less than 19 years in age. However, 87% told us that stores guilty of breaking the law should be prohibited from selling tobacco. Surveillance and enforcement cost money. Legislation without resources for enforcement is not worth the effort. In Perth county alone, we have estimated that we need \$174,000 per year to enforce Bill 164, which will now include workplaces formerly covered in the Smoking in the Workplace Act.

My final point is that the current clause—and you've heard this before—"except in accordance with the regulations" in section 3.1 must be removed prior to third reading to prohibit the marketing of tobacco to children. May Bill 164 be the end of power walls in Ontario. You have been given the responsibility to make decisions in the public's best interest, and there is no doubt in my mind that the existing clause is a loophole in the legislation which will put our children at risk.

At this point, if you refer to slide number 4, you will see that in fact we've made a difference. We see smoking rates on the decline in Ontario. Although we have made great strides in reducing the rate of children who smoke, here in southern Ontario we have data that indicate that 25% of children—this is on slide number 5—in grades 7 to 12, all too young to legally buy tobacco, are smoking.

The next few slides are photographs taken from Perth county convenience stores, where our children are being confronted with walls of cigarettes each time they line up to purchase a bag of milk or buy a candy bar.

In conclusion, Bill 164 will assist Ontario in becoming smoke free only if it is not compromised by amendments that dilute its impact or clauses that prevent its full implementation.

Now I'd like to give the last word to my guests from Listowel District Secondary School.

Ms. Smith: We felt it was very important for us to come here today to show how we as youth firmly support the ban on power walls in Ontario.

Ms. Matheson: The tobacco industry is advertising and selling one of the most hazardous products on the market, which is not only killing 16,000 Ontario people a year from smoking but is successfully brainwashing children, teens and adults into thinking smoking is all right. But it's not. How is it right to advertise and sell products three times more deadly than all murders, alcohol, car accidents, HIV and suicide deaths in Canada combined?

Ms. Smith: Power walls with bright colours and large advertisements send the message to children, teens and adults that there are a lot of cigarettes, so people must smoke because they think it's normal and acceptable. The reality of the situation is that only 20% of all Ontarians really do smoke. How are we to help improve our health,

environment and communities when there are advertisements encouraging people to buy products that will cost them their life? Children of today are the future of tomorrow, so it's our responsibility as adults to set a good example and allow the children to realize that they can look up to us as role models.

When we asked the following question, "How do you feel about power walls in stores?" these were the responses of people, ranging in ages from 10 to 42 in our area.

Ms. Matheson: "An extremely bad influence toward our younger generation."

Ms. Smith: "Screams cancer."

Ms. Matheson: "If they were out of sight, they'd be out of mind."

Ms. Smith: "Paves the way for people to their graves."

Ms. Matheson: "Puts too much pressure on the customers, especially to those who are trying to quit smoking."

Ms. Smith: "Over-exaggerates the fact in making people think more people smoke than from the actual amount" of people "who really do."

1550

Banning these power walls from Ontario will not encourage all smokers to quit and will not prevent all people from starting to smoke, but if the banning of power walls in Ontario will stop at least one person, that is one less person making one of the most deadly mistakes in their life. If that one person is saved, that one person can, and will, save many others through allowing them to follow the good example set by them and not allow them to inhale the deadly fumes.

We all have to ask ourselves what is more important in our lives: the money being received through the tobacco industry or the lives of our future? How can we put a price on our lives? We can't.

We've brought with us today over 130 signed postcards from our school from students who are in agreement with Bill 164. Thank you.

The Chair: That concludes your presentation?

Dr. Pellizzari: Yes, it does.

The Chair: Your timing is impeccable. This rotation goes to the official opposition.

Mr. Barrett: Thank you for coming forward. I'm just going through the chart. It says Perth county has six bingo halls; is that right?

Dr. Pellizzari: I'm going to ask Camille Burnett, my manager for chronic disease, to answer that question, because I'm not sure of the number.

Ms. Camille Burnett: The way you're reading the chart is not a reference to how many bingo halls there are. That's just showing you how many municipalities have bingo halls.

Mr. Barrett: OK. Six municipalities all have bingo halls and four of them allow some smoking. West Perth, for example: In July 2004, there was a bylaw that would allow 50% smoking? I just wanted to make it clear.

Dr. Pellizzari: In fact, that's why I brought the chart, to show you the inconsistency. In a very small geo-

graphic area like Perth county with 70,000 people, we have six different bylaws, and they could vary from one corner to the next. That's a reason why the municipalities are depending in this legislation to level the playing field and bring in some consistency.

Mr. Barrett: Going to the other side, I see that in two municipalities the bingo halls are smoke-free. I just wondered in the other bingo halls of the other municipalities—maybe John knows. How many bingo halls are in your riding? I guess my question is, what percentage of people smoke in those bingo halls and how many would you expect to go out of business if the provincial—

Dr. Pellizzari: In fact, if you look at the slide, I believe it's number 3 where we did surveys when some of the bylaws were being brought in. Ninety-five per cent of respondents who went to bingo halls reported that the change in smoking did not have an influence on how often they went to bingo halls. In fact, only 5% of people who went to bingo halls said they would not go because of the smoke-free bylaw. So there was very little difference, very little impact after the bylaws were brought in.

Mr. Barrett: I see. So that was the survey and probably 70% of the people smoke in those bingo halls. That's the average—

Dr. Pellizzari: I've had the great fortune not to go in, so I don't know what the current prevalence is.

Mr. Barrett: Again, we've been given the evidence that when you make a bingo hall smoke-free, it closes. That's what we've been told.

Mr. Wilkinson: It hasn't happened in Perth county.

Mr. Barrett: The province hasn't brought the law in yet.

Interjection.

The Chair: Order, please. Go ahead, Mr. Barrett.

Mr. Barrett: OK. St Marys. So it looks like they've got four other municipalities that they can go to to play bingo. Obviously there's another place you can go. Again, in all fairness, we've had four days of testimony and this is what we're being told. How many charities would the bingo halls support in Perth county?

Dr. Pellizzari: Mr. Barrett, the problem with your rationale is that when we asked people directly, "Do you visit bingo halls?" if they said, "Yes, we do," we asked, "Has your frequency or has your use changed?" and 95% said no. So they're obviously not jumping in their cars and driving elsewhere.

Mr. Barrett: Good. To a bingo hall where you can smoke. OK, that's fine. My question was, how many charities do they support?

Dr. Pellizzari: I'm afraid I don't have that information. Sorry.

Mr. Barrett: On the workplaces—again, designated smoking rooms are an option as of last year in Stratford, if I'm reading this correctly, and in north Perth designated smoking rooms are an option as of June 2004. What workplaces would those be? Are these long-term-care facilities or where are the smoking rooms?

Dr. Pellizzari: I'll have Camille Burnett respond to that.

Ms. Burnett: Part of the issue around DSRs, to answer your question, is that there is a great difficulty in locating exactly where all of those designated smoking rooms are. Some of those are in workplaces and are underneath that column of workplaces. We didn't differentiate which ones were office or industrial etc. so I couldn't give you that exact breakdown.

Mr. Barrett: Are the designated smoking rooms working? Like, is the ventilation system working?

Dr. Pellizzari: We actually tried to get that information, and I think this speaks to why we don't want DSRs. We could not get information from municipalities like Stratford who have allowed them on whether they're being monitored, whether they're being inspected, what the compliance is like. That data is missing. That is just an example of how difficult the DSRs are and the fact that they really aren't a solution.

Mr. Barrett: So your health unit doesn't monitor—you don't inspect DSRs?

Dr. Pellizzari: No, we don't. In fact, they're workplaces.

Mr. Barrett: Who does inspect them then?

Dr. Pellizzari: It's under the Occupational Health and Safety Act, the current legislation. Bill 164 will bring workplaces into our jurisdiction, so we will be inspecting them in the future.

The Chair: Thank you for your presentation this afternoon.

Interruption.

The Chair: Order, please. Canadian Auto Workers, Local 444?

ONTARIO TOBACCO-FREE NETWORK

The Chair: The Ontario Tobacco-Free Network, would you please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard.

Ms. Stacy Landau: Good afternoon, Mr. Chair and members of the committee. We would like to thank you for the opportunity to present today. I'm Stacy Landau. With me today are my colleagues Vonnie Barron and Lorie Boychuk.

We represent the Ontario Tobacco-free Network, or OTN. OTN is a network of the three leading health agencies: the Canadian Cancer Society, Ontario division; the Heart and Stroke Foundation of Ontario; and the Ontario Lung Association. We also represent the 76 tobacco-free councils from across Ontario.

We are especially thrilled today to have 10-year-old Eric Mack and his eight-year-old brother, Ryan, join us today to share their thoughts. They are the youngest ambassadors of OTN.

For nearly five years, OTN has worked closely with the councils and the public health units to support local tobacco control activities, including municipal smoke-free bylaws, National Non-Smoking Week, World No

Tobacco Day and other community-specific projects. We are delighted that the provincial government has finally followed in the footsteps of the gold standard municipalities and is about to pass gold standard, 100% province-wide smoke-free legislation. We would like to thank all of those at the local level whose municipal bylaw work set the stage for this exciting new provincial legislation and offer our congratulations to the government for taking this important step forward in Ontario.

1600

Ms. Vonnie Barron: While we commend the government of Ontario for introducing this legislation, our network has identified a key issue in the legislation that needs to be addressed.

On December 15, 2004, our network was excited to hear Minister Smitherman's announcement whereby he spoke of a ban of retail displays of cigarettes that was to be included in Bill 164. Upon learning about his further explanation in the Legislature later that day, we were concerned by his statement: "Finally, this legislation would limit the size of behind-the-counter displays of cigarettes to distinguish between a legitimate display and what is effectively a billboard." This distinction alarmed us, since we feel there is no legitimate way to promote and advertise a product that, when used exactly as intended by its manufacturers, kills 50% of its users.

This was the impetus behind the OTN's Out of Sight, Out of Mind campaign, a public education and community mobilization campaign focusing on the retail display ban of tobacco products. Local tobacco-free councils worked tirelessly on the Out of Sight, Out of Mind campaign. One of the projects that groups from across Ontario undertook was to visit local convenience stores and retailers to track the presence of tobacco products on display. We would now like to share with you some of the most compelling results of this initiative that were gathered since February 2005:

In the city of Barrie, 96% of stores that have power walls were within one kilometre of schools.

In Maple, 100% of stores visited had tobacco products at a child's eye level.

In Sutton, 86% of stores had prominently visible countertop displays. This is of particular interest, since in the December 16, 2004, news release, the Ontario Convenience Store Association announced that it would ask its members to voluntarily remove countertop displays beginning immediately, and expressed its general support for the direction taken on retail displays by the Ontario government. And we'd like to note that we thought it was coincidental that this was released the day after Minister Smitherman introduced Bill 164.

In Markham, 78% of stores had self-serve countertop related accessories displayed, such as cigarette lighters, matches and cigarette holders. Many of these accessories have branded popular tobacco product logos.

In Sault Ste. Marie, 85% of stores visited displayed tobacco industry shelving, including illuminated panels and electronic signs. Over 70% of those displays contained packages of cigarettes glued to them, which we would assume are not meant to be torn off and sold.

And in London, in just 30 stores, over 60,000 cigarette packs were counted. That's an average of 2,000 packs per store. When was the last time you counted 2,000 bags of milk in your local convenience store?

Ms. Lorie Boychuk: When our local councils found out about these hearings they immediately asked how they could help. As you know, many of these council members made long trips to be present for some of the hearings in person, but one group, from the very far northern regions of Ontario, couldn't make the trip down to southern Ontario. When these passionate youth from Dryden realized that they could help make a difference by submitting something, they spent their weekend producing this video, which I have with me. Unfortunately, we didn't have the opportunity to show you this video today, as a TV and VCR could not be provided. However, we do encourage the committee members to view this five-minute video, to hear the voices of our northern Ontario youth. So I'll leave that with you today.

There are a few other things we'd like to address:

The World Health Organization points out that aggressive promotion by the tobacco industry, including permissive environments that make tobacco products readily available and affordable—like the many large convenience store displays staffed by clerks willing to sell to young people, play a major role in inducing young people to take up tobacco use.

Your federal counterparts have taken the lead on banning tobacco-industry sponsorship and advertising in Canada. It now falls in your hands to close the gap that remains for the tobacco industry's last direct-to-consumer advertising tactic, or retail displays of cigarettes.

The Supreme Court of Canada ruled that Saskatchewan could uphold its legislation to ban retail displays, thus eliminating Ontario's wait-and-see approach to implement the same. The wheels are also in motion in Manitoba and Nunavut to follow suit.

Yesterday, in Toronto, we also heard Melodie Tilson share Iceland's successful experience in banning retail displays in that country. And today we have shared photos with you of Saskatchewan's experience, which I'm sure you've all had the chance to look through. And finally, in Saskatchewan, with relation to those photos, there is no need for retail employees to turn around. The tobacco products can be put in drawers or in overhead locations.

Finally, Mac's Convenience Stores testified before the committee with concerns, but their chain stores in Saskatchewan operated successfully during the 18 months the law was initially in force, and continue to operate successfully today.

Ms. Landau: We also wanted to respond to some other concerns that were brought up earlier at the hearings with regard to tobacconist shops and the display ban. We wanted to let you know that in Saskatchewan, there is no such exemption for tobacconists. Also, in New Brunswick and Nova Scotia, whose initial legislation bans countertop displays, there is no such exemption. Once there is an exemption, the loophole will be exploited. For example, a corner kiosk in a bar could be created as a so-

called tobacconist, whose cigarette girls could sell cigarettes. Tobacco kiosks could be set up at rock concerts or on beaches.

In Ontario, there is no law preventing kids from entering tobacconists, and most so-called tobacconists sell products such as pop, newspapers and candies. Just today, during our lunch, we went to Broadview Tobacconists on the main drag in downtown Tillsonburg. We wanted to check out the inside of a tobacconist's shop, and we were disappointed to find out that for all intents and purposes, it was a convenience store that sold candy, chips, pop, milk, bread, cigars and, of course, cigarettes, including candy cigarettes like the ones that we've handed out to you.

Similarly, if tobacconists are allowed to have DSRs, this could lead to the creation of mini-tobacconists in bars as a back-door way to allow DSRs.

Before we turn the floor over to Eric and Ryan, we'd like to remind you of why we're here today. Do we want Eric and Ryan and their friends to become another tobacco statistic, like many in the generation before them? Now's the time to put an end to the predatory tactics of the tobacco industry, whose sole purpose is to replace the 16,000 Ontarians that their product kills each year. Let Eric and Ryan's generation be the one that grows up in a society where smoking is not the norm.

Mr. Eric Mack: Hi. My name is Eric Stuart Mack. I am 10 years old and I am in Mrs. Tracey's grade 3-4 split class at St. Anne's Catholic School in London. I am here to tell you my idea to help kids not to smoke and not to see cigarettes.

Now I will tell you about my idea. My idea is to put all cigarettes in one store without windows. If you do that, then kids will not be able to see cigarettes. If kids do not see cigarettes, they will not think that smoking is a normal thing. So this means that they will not want to smoke and they won't think that it is a cool thing.

Goodbye, and thank you for your time.

Applause.

The Chair: Order.

Mr. Ryan Mack: Hi. My name is Ryan Mack. I am in Mrs. Brennan's grade 3 class at St. Anne's Catholic School. I think every convenience store should have no walls of cigarettes, and they should put them under the counter so that nobody see the cigarettes. This way kids won't have the idea to smoke.

Ms. Landau: If experience has shown us anything with respect to the ban on tobacco advertising in Canada, it's that when you give the tobacco industry an inch, they take a mile. The Saskatchewan Coalition for Tobacco Reduction agrees, and clearly states, "Research says partial bans are not effective, given the tobacco industry's propensity to make the most out of such situations. You may be getting pressured not to have a complete ban. We encourage you to provide children and youth in your province with complete protection from tobacco industry promotion."

The OTN implores this government to do the right thing: Ban retail displays of tobacco industry products,

including power walls, 100%—no exemptions, no loopholes. Thank you.

The Chair: Thank you. The questioning will go to the NDP.

Ms. Martel: Thank you for being here. Thank you very much to Eric and Ryan for coming here today to talk to us. We appreciate that very much and we will think very seriously about the ideas you raised for us today.

Let me ask some of the friends who are with you: When you went to visit the tobacconist's shop today—of course, this committee was assured by presenters in Toronto that tobacconists sold only tobacco and tobacco products and nothing else—tell me again what was being sold.

Ms. Landau: I was actually shocked myself, because we're from Toronto, and the few stores in Toronto seem to have fewer products: pop, chips and some candy. In this store, however, it was way beyond that. It was a convenience store that sold bread, milk, crackers, chips, gum, candy, and then, over to the side, there was a large power wall as well as the cases of imported cigars and chewing tobacco and the regular tobacconist materials. The store, in fact, was called a tobacconist.

Ms. Martel: We were also assured that they didn't normally sell cigarettes. Correct me if I'm wrong, committee members. So that's a bit different from what we were led to believe.

You got these there?

Ms. Landau: Yes, we got you those little presents there today.

Ms. Martel: I don't think most adults go in to buy those. Some of the presentations referred to somewhere else.

In any event, let me focus on Mac's milk. One of the things Mac's told us was that this was a real security issue for them; they were focusing on employee safety, and if employees didn't have the product around them and had to turn around and lose eye contact, that was a serious safety issue. But the ban was in place on the power walls, for example, for over 18 months in Saskatchewan. Was there any problem with security, with safety, with employee protection when it was removed and it was out of sight?

Ms. Barron: No. Actually, our understanding was that there was no problem with theft. In fact, there was a period of time when the Supreme Court decision was being dealt with during which the ban, as you know, was eased off and they were allowed to display their cigarettes. We understand that up to 40% of convenience stores chose to keep their products covered because they actually found that it was safer.

Ms. Martel: I wondered about that, because when you see 250 or so brands on a big power wall, my perspective is that that's just an invitation more than anything else. If there's anything that makes it prevalent for someone who wants to do something wrong, that might be just it. It certainly isn't out of sight, out of mind. It's right there in full view. My sense is that that would make the situation even worse.

Ms. Landau: From what we understand, anecdotally we've been told by convenience store owners that the amount of stock they currently carry is excessive and they certainly don't sell that much. In fact, tobacco industry representatives sometimes have to replace the stock behind. In one row of cigarettes, if you see one face, there are seven more packs behind it. Some of those back packages have to be replaced because they've gone stale as they simply can't sell their stock. I would have to agree with you: It doesn't seem to make any sense that they would want to carry so many packages of a high-priced product.

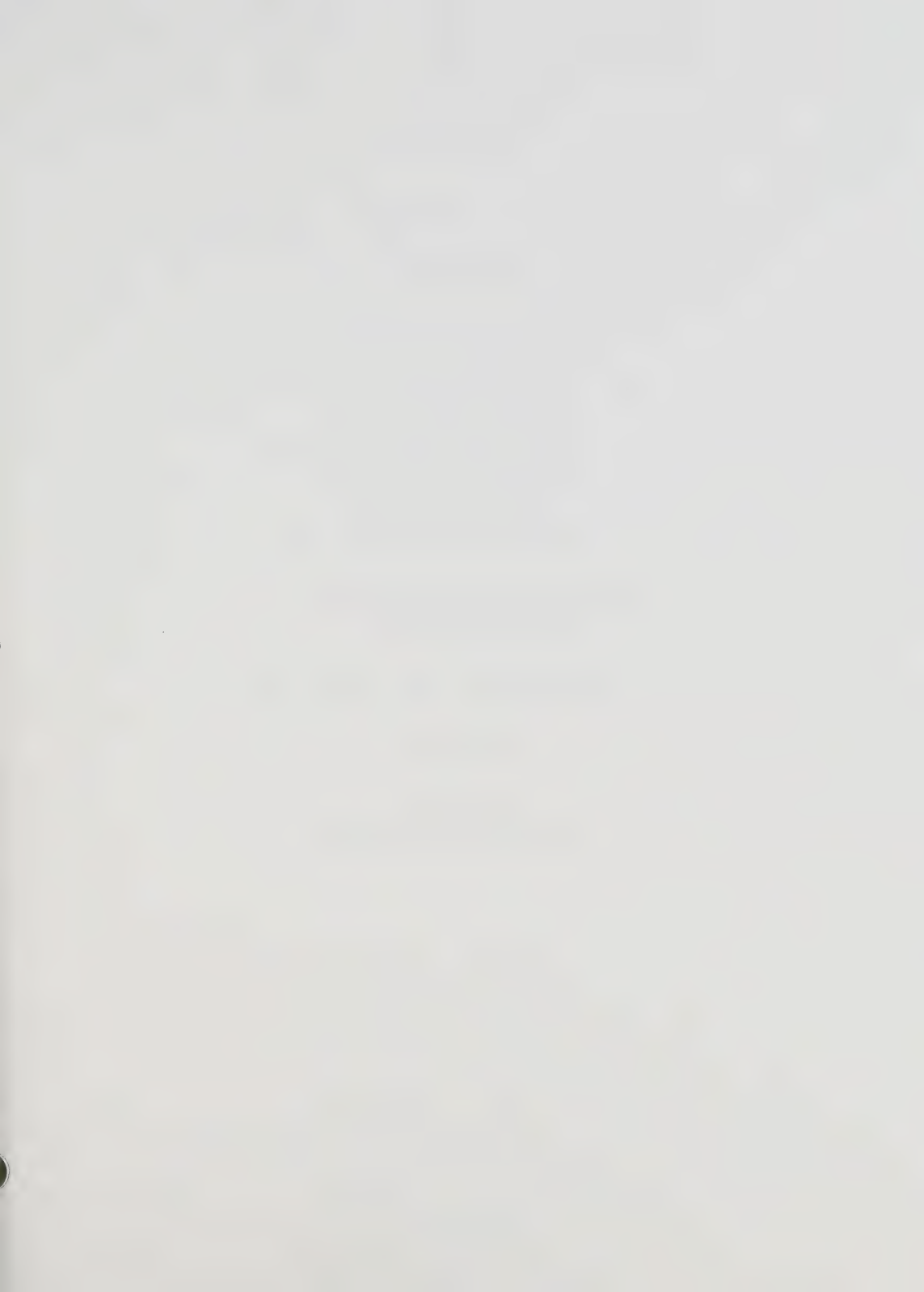
Ms. Martel: We've heard from a lot of students over the course of the four days, and that has been really useful. I don't think I had a clear sense of how alluring, if I could use that word, a power wall could be for a teenager who's thinking about smoking, maybe has tried

it, has tested it out or is being subjected to peer pressure. I had no clear understanding, until I heard from so many of these teenagers, of just how powerful a message that can be that it's OK and, probably more importantly, that this is quite normal and common and that so many people are smoking, when the reality is that the statistics don't bear that out at all. We really do have to take a look at the power walls and ensure that those are banned.

Ms. Barron: If I could just add one point: In the video that we're leaving with you today, you'll see a 14-year-old girl from northern Ontario speak about her experience of not wanting to go into convenience stores because she sees those power walls and she's trying to cut back on her smoking.

The Chair: Thank you. This meeting is adjourned.

The committee adjourned at 1614.



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Thursday 5 May 2005

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Jeudi 5 mai 2005

Standing committee on finance and economic affairs

Tobacco Control Statute Law
Amendment Act, 2005

Comité permanent des finances et des affaires économiques

Loi de 2005 modifiant des lois
en ce qui a trait
à la réglementation
de l'usage du tabac

Chair: Pat Hoy
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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Thursday 5 May 2005

Jeudi 5 mai 2005

*The committee met at 1002 in room 151.*TOBACCO CONTROL STATUTE LAW
AMENDMENT ACT, 2005LOI DE 2005 MODIFIANT DES LOIS
EN CE QUI A TRAIT
À LA RÉGLEMENTATION
DE L'USAGE DU TABAC

Consideration of Bill 164, An Act to rename and amend the Tobacco Control Act, 1994, repeal the Smoking in the Workplace Act and make complementary amendments to other Acts / *Projet de loi 164, Loi visant à modifier le titre et la teneur de la Loi de 1994 sur la réglementation de l'usage du tabac, à abroger la Loi limitant l'usage du tabac dans les lieux de travail et à apporter des modifications complémentaires à d'autres lois.*

The Chair (Mr. Pat Hoy): The standing committee on finance and economic affairs will please come to order. We're gathered here this morning for clause-by-clause consideration of Bill 164. Are there any comments, questions or amendments—

Mr. Toby Barrett (Haldimand-Norfolk-Brant): On a point of order, Chair: I just want to draw to the attention of committee members, and members will know this, that 225 various associations and individuals applied to testify before the finance committee. I'm not referring to the content of their testimony or the bill itself, but the fact that only 88 people were allowed to testify. Many people have expressed disappointment to me with respect to the lack of consultation not only by the standing committee but by the government itself with various stakeholders.

Even House leader Dwight Duncan is quoted in the Windsor Star about his request to have casinos and bingo and other associations in the Windsor area testify, saying it's quite unusual of his request or application. His request was also mirrored by Minister Sandra Pupatello. It was indicated in the Windsor Star that they would be approaching you, Chair, to ask for, as I understand it, one delegation from the Windsor area.

The reason for that is I'm hearing from people that the Smoke-Free Ontario Act, if it is passed as is, will impact many people and businesses that did not have an opportunity to testify before these hearings. I would

indicate that 137 associations and individuals were not able to testify or were not allowed to testify, if you will. We know they are resorting to other measures to try and get the ear of government. Just yesterday morning, the Ontario Korean Businessmen's Association, the Ontario Convenience Stores Association—

Mr. John Wilkinson (Perth-Middlesex): Point of order.

Mr. Barrett: Can a point of order interrupt a point of order? I guess it can.

The Chair: Mr. Barrett has the floor.

Mr. Barrett: Thank you, Chair. Both of these associations feel they have not been consulted. I guess the concern is, I know a motion was tabled in Tillsonburg for more hearings. That motion was defeated by the Liberals, but subsequent to that we heard that House leader Dwight Duncan and Minister Sandra Pupatello have—

The Chair: If you could come to your point of order.

Mr. Barrett: I guess my point of order is, if I can just use one example perhaps, the London Korean Businessmen's Association sent me a piece of information that they were not allowed to present in Tillsonburg. I know there were five or six members at the Tillsonburg hearings. I had a chance to speak with them. I could present what they wanted to present, if that was in order. I suspect members of the committee may have actually received this particular fax from the London Korean Businessmen's Association, in addition to perhaps 100 or maybe 200 other faxes from the Korean businessmen—

The Chair: Mr. Barrett, we're in clause-by-clause now, and this is not a point of order.

Other comments or amendments? We're ready to begin.

There are no amendments to section 1. Shall section 1 carry? All in favour? Opposed? Carried.

There are no amendments to section 2. Any debate? Shall section 2 carry? All in favour? Opposed? Carried.

Are there any amendments to section 3? Ms. Martel.

Ms. Shelley Martel (Nickel Belt): I move that the definition of "enclosed public place" in section 1 of the Tobacco Control Act, 1994, as set out in subsection 3(1) of the bill, be struck out and the following substituted:

"'enclosed public place' means any place, building or structure or vehicle or conveyance or a part of any of them,

"(a) that is covered by a roof of any kind, and

“(b) to which the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry; (‘lieu public clos’).”

The purpose of the change in the definition, and it is a small one, is to add at the end of (a) “of any kind.” That is to make it very clear that people who are trying to put up tarps, hard plastic or something else in order to essentially enclose a space perhaps in winter to allow perhaps smokers on a patio, that that kind of thing is not going to be permitted. That would be considered an enclosed public space where smoking would not be permitted. So it’s to try to make it clear that what we are trying to do is catch those enterprising folks who have roofs of various kinds, shapes and sizes, particularly in winter months, to allow people to smoke outside.

1010

The Chair: Further debate?

Mr. Peter Fonseca (Mississauga East): The ministry has looked at several options for the wording of this provision, and has found that it would prefer to use existing regulatory authorities to deal with enclosed public places.

Mr. Barrett: Coming from Ms. Martel, I’m assuming this relates to a worker issue.

Ms. Martel: The next one does.

Mr. Barrett: OK. Further to that, the Workers’ Compensation Board in British Columbia—we know that in the British Columbia case it came up in testimony that there were other ways of doing this. A compromise was reached initially in 2000. The Workers’ Compensation Board implemented a regulation that essentially banned smoking in any kind of—either indoor or outdoor, but over the course of time, the Workers’ Compensation Board and the hospitality industry were able to sit down in the province of British Columbia and hammer out a solution that was amenable to all.

Ms. Martel: Just on the point raised by the parliamentary assistant, I’m looking at government motion 33, which provides for the regulatory power to deal with the definition of “enclosed public space,” but I note that it talks about defining “inside,” and then part (b) talks about “prescribed places.” I’m assuming that means “sites.”

I’m wondering how the government intends to cover the issue of suspicious roofs that start to form a workplace where people should be protected from second-hand smoke. I can understand trying to sort out what is inside; I’m not sure that also deals with my concern about how a roof is used to create a space where people can smoke and then put a worker at risk.

Mr. Fonseca: We fully support the intent of Ms. Martel’s motion. I’ll bring up legal counsel to bring forward why we would be doing this through existing regulatory authorities. We feel it would be the best way to go.

Ms. Donna Glassman: Do you just want me to deal with this—

Mr. Fonseca: Yes—why we would do it through regulatory authority.

Ms. Martel: Even further to that, if I might, as you do it through the regulation, what is the provision to deal with issues around that kind of structure? You’ve got it in the legislation that you’re going to define “inside” or that you’re going to define “prescribed place,” but I assume “place” to mean a site.

Ms. Glassman: It can be more broad than—

The Chair: If you would please identify yourself for the purposes of Hansard, then you can begin.

Ms. Glassman: I’m Donna Glassman, legal counsel for the Ministry of Health and Long-Term Care.

There are a few places in the bill that would allow you to further define what either an enclosed workplace or an enclosed public place is—the reg-making powers that we’ve added—but also, recognize that it’s difficult. There are some places that might not fall into those specific definitions. I would point out that subsection 9(2) of the bill talks about that, but the general prohibition on smoking in enclosed public places and enclosed workplaces is in 9(1). Subsection 9(2) provides other prohibitions. That’s where you find the school, the private school and the common areas.

Number 7 of that section is “a prescribed place or area.” If you use this section plus the other two motions that are put forward to further define what is meant by “enclosed public place” or “enclosed workplace,” it’s going to cover—you already have the options in there to cover a roof or other places that might not be a roof, and then also to get to what the meaning of “inside” is. Right now, the bill is dealing with indoor places. It’s not dealing with a complete open patio, but if it’s covered with a roof, it could. There’s also the ability in 9(2)7 to deal with other prescribed places.

The Chair: Further debate? Hearing none, all in favour? Opposed? The motion is lost.

An NDP motion; Ms. Martel.

Ms. Martel: Mr. Chair, the second amendment was moved to define “workplace,” essentially to capture the same concern—that is, a space becoming closed and then affecting a worker who would be subjected to second-hand smoke. I see the government has a motion 34, which also provides for the definition of “enclosed workplace” by further looking at defining “inside” and prescribing places to be enclosed workplaces, so—

The Chair: Ms. Martel, could you read the motion into the record. We need to have that done for—

Ms. Martel: What I was going to say, Chair, is that, given what the government is doing, I would withdraw the motion. Based on what legal counsel has just told me and amendment 34, I trust that my concerns are going to be dealt with.

The Chair: OK, thank you.

Government motion; Mr. Fonseca.

Mr. Fonseca: In subsection 3(2) of the bill, subsection 1(2) of the Smoke-Free Ontario Act, I move that paragraphs 1 and 2 of subsection 1(2) of the Smoke-Free Ontario Act, as set out in subsection 3(2) of the bill—are we not here? I’m sorry, I don’t have—

The Chair: The packages are numbered. I'm looking at page 3.

Mr. Fonseca: Oh, you withdrew number 2. OK. I correct that, Mr. Chair.

In subsection 3(1) of the bill, section 1 of the Smoke-Free Ontario Act, I move that the definitions of "enclosed public place" and "enclosed workplace" in section 1 of the Smoke-Free Ontario Act, as set out in subsection 3(1) of the bill, be struck out and the following substituted:

"'enclosed public place' means,

"(a) the inside of any place, building or structure or vehicle or conveyance or a part of any of them,

"(i) that is covered by a roof, and

"(ii) to which the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry, or

"(b) a prescribed place; ('lieu public clos')

"'enclosed workplace' means,

"(a) the inside of any place, building or structure or vehicle or conveyance or a part of any of them,

"(i) that is covered by a roof,

"(ii) that employees work in or frequent during the course of their employment whether or not they are acting in the course of their employment at the time, and

"(iii) that is not primarily a private dwelling, or

"(b) a prescribed place; ('lieu de travail clos')."

The Chair: Any debate?

Mr. Barrett: Again, I just wanted to indicate that a lot of this was worked out in British Columbia, where the government, the hospitality industry and employees, through their Workers' Compensation Board, sat down and hammered out a solution, if you will, that was amenable to all. It was satisfactory for smokers, non-smokers, employees and other staff of these various facilities and the owners, the proprietors of these facilities.

The Chair: Further debate? Hearing none, all in favour? Opposed? Carried.

NDP motion; Ms. Martel.

Ms. Martel: I move that section 1 of the Tobacco Control Act, 1994, as amended by subsection 3(1) of the bill, be amended by adding the following definition:

"'place of entertainment' means a place to which the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry, and which is primarily devoted to eating, drinking or any form of amusement; ('lieu de divertissement')."

This is not a significant change, but what it's doing is putting the definitions all in one place. As the bill is currently structured, on page 3 under subsection 3.2(2), we have a definition of "place of entertainment." The amendment puts that definition into the definitions section at the front of the bill and makes it clear that in other places where we talk about entertainment—and there are amendments that follow—we're using the same definition, because at one point in the bill we have a different definition. We talk about an entertainment venue elsewhere.

1020

So the point is to have it as a definition. The definition I used is the same as appears in subsection 3.2(2), but it puts it at the top with the rest of the definitions. There are subsequent amendments to ensure that every time we talk about entertainment, we're talking about a place of entertainment as it appears in the definition that I'm proposing and that the government is using in other sections.

The Chair: Further debate? Hearing none, all in favour? Opposed? The motion is lost.

Mr. Fonseca: I move that paragraphs 1 and 2 of subsection 1(2) of the Smoke-Free Ontario Act, as set out in subsection 3(2) of the bill, be struck out and the following substituted:

"1. Private self-contained living quarters in any multi-unit building or facility."

The Chair: Any debate?

Ms. Martel: I have a question, Chair. I apologize to legislative counsel that I'm not clearly understanding what this is a reference to and the implication. Does this have to do with section 1 of the act right now, where it references private dwellings?

Ms. Glassman: Yes.

Ms. Martel: OK. So you're striking out essentially where it says "Private dwelling ... For greater certainty, and without restricting..."?

Ms. Glassman: We're keeping that part in.

The Chair: Excuse me, which legislative counsel did you want? Is this what you were seeking?

Ms. Martel: Yes. Fine; sorry about that.

Ms. Glassman: We're keeping it in for greater certainty, but instead of specifically discussing retirement homes and supportive housing, we're simply clarifying that it's a private self-contained living quarter, which would be an apartment, in a multi-unit building or facility.

To clarify why we put it in there to begin with, we wanted to be clear that an enclosed workplace would not include a place that is primarily a private dwelling. We recognized that in dealing with some types of housing, supportive housing or retirement homes, you have a spectrum of what's offered and people who are living in them. You have some retirement homes where people are living in their own individual apartments; you have some where there's quite high care and they're in a room that will have a bathroom, but it's not a self-contained unit. The same with supportive housing. Older supportive housing might be people living in a house and they have a room, but they're not living in their own individual apartments.

When we envisaged having controlled smoking areas in some types of residential care facilities, the idea was that for people who require more care—you wouldn't want them smoking in their own room, but an operator may choose to put in a controlled smoking area within the establishment.

I think the problem that we got into here is that it's not really up to an operator to designate. There are clearly residential care settings where people are in their own

apartments and they should be treated the same as an apartment building, and that's why we changed that definition. But we still leave in any other prescribed place in case there is difficulty interpreting what the intent is.

Ms. Martel: Is it also covered, then, as you take out retirement homes and supportive housing, on page 5 of the bill, where you talk about exemptions for residential care facilities?

Ms. Glassman: We still have in subsection 9(7) that they can create a controlled smoking area. We're simply clarifying that where you have self-contained living quarters, the private apartment itself is not an enclosed workplace.

Ms. Martel: OK.

The Chair: Further debate? All in favour? Those opposed? The motion is carried.

Shall section 3, as amended, carry? All in favour? Opposed? Carried.

PC motion number 6 is out of order.

Mr. Barrett: On a point of order, Mr. Chair: I'd like to have an explanation why compensation will not be discussed in the finance committee.

The Chair: The following motion, as mentioned, is out of order under standing order 56: "Any bill, resolution, motion or address, the passage of which would impose a tax or specifically direct the allocation of public funds, shall not be passed by the House unless recommended by a message from the Lieutenant Governor, and shall be proposed only by a minister of the crown." PC motion number 6 is out of order, as stated.

PC motion number 7 is out of order.

Mr. Barrett: On a point of order, Mr. Chair: Why would the charities not get a chance to discuss compensation?

The Chair: This motion is out of order for the same reason as PC motion number 6, under standing order 56.

Mr. Wilkinson: On a point of order, Mr. Chair: Did we not approve section 3 just a minute ago? So this is a moot point.

The Chair: We're at section 3.1.

PC motion number 8 is also out of order.

Mr. Barrett: On a point of order, Mr. Chair: Do I need to raise it as a point of order?

The Chair: It's the same, under standing order 56.

Mr. Barrett: I do point out that the hospitality industry identified a \$1-billion cost—

The Chair: That's not a point of order.

The page 9 PC motion is out of order under standing order 56.

Mr. Barrett: On a point of order, Mr. Chair: Again, I just feel it incumbent to point out that police resources are required in addition to what we have now.

The Chair: The motion is out of order under standing order 56.

Number 10 PC motion is out of order under standing order 56.

Mr. Barrett: Here again, the reason for that is that 30% of the stores are going to go bankrupt.

The Chair: That's not a point of order, Mr. Barrett.

PC motion number 11 is out of order under standing order 56.

Mr. Barrett: I give the same reason as for my last motion—

The Chair: That's not a point of order.

There are no amendments to section 4. Shall section 4 carry? All in favour? Opposed? Carried.

Section 5, an NDP motion.

Ms. Martel: I move that clause 3.1(1)(a) of the Tobacco Control Act, 1994, as set out in section 5 of the bill, be struck out and the following substituted:

"(a) display or permit the display of tobacco products in a retail store by means of a countertop or wall display."

The top part of that should be,

"No person shall,

"(a) display or permit the display of tobacco products in a retail store by means of a countertop or wall display."

I'd like to make some comments on this section. Let me make a couple of points here. I make these in light of the fact that I understand that the government, through this package, will bring forward an amendment that will essentially ban what we call power wall displays, but not until 2008.

Interjection.

Ms. Martel: No, the power wall displays.

Mr. Wilkinson: In 2006.

Ms. Martel: In 2008, right? If you go—

Interjection.

The Chair: Order, please. Ms. Martel has the floor.

1030

Ms. Martel: A couple of things need to be said in this regard. If I go back to the Liberal election document, specifically the health care document, it says very clearly, under "Tougher controls," "We will ban countertop and behind-the-counter retail displays of tobacco products."

I don't think that when people read that commitment they thought it meant that a portion of that would not be done until 2008. I think that most people assumed that when the government brought forward its anti-smoking legislation, it would deal with both the countertop and behind-the-counter retail displays at the same time and have the same date by which those would have to be banned. I think 2008 is far too long to deal with an issue that was a very serious matter that was raised by this committee during the public hearings.

At the time that the minister brought forward the bill, he was asked the question about the Liberal election promise and about the behind-the-counter display in particular and why it wasn't included in Bill 164. He said, at the time, that this was because there was a court case that was still under way in Manitoba, a challenge to the Saskatchewan government at the time, and so it wasn't going to appear in the Ontario law until there was some sense of what the outcome was. He also said, at the time, that if there was going to be some provision, depending on the outcome of the Saskatchewan case, it could be

covered off at the time that we knew the decision had been made.

After the Saskatchewan case became clear and the government won, this minister was asked what he was going to do about the Liberal promise to ban behind-the-counter displays. He said he would wait for the course of the public hearings, let people have their say, and take into account what was heard.

All of us know that, during the course of the public hearings, so many groups came forward to say that the government had to do this and the government needed to do it at the same time as they got rid of the countertop displays.

There was overwhelming evidence that was presented by a number of groups showing that tobacco companies do look at this final point of sale as a most powerful way to advertise their product. In fact, it is a very powerful advertising tool, especially for people coming in at the last minute, impulse-purchasing, grabbing a pack of cigarettes as they grab milk and grab other things. We heard that tobacco companies have looked at the research on this and made it very clear that they understand that this does happen. That's why they're spending \$88 million advertising in retail stores right now, a lot of that going to the big displays, which are bright and colourful and really do attract attention, particularly of young people. The research makes it very clear that that is happening and that if we're going to deal with helping young people not to make the choice to start smoking, we need to deal with not only the countertop displays; we need to deal with all forms of advertising that are behind the counter as well.

We saw most powerfully, in the words of the young people who were before us—to a person, every single young person, every single group of young people who came to this committee said that if the government really wanted to help them to make a decision not to smoke, then the government should get rid of the advertising of big tobacco that they see every time they go into a convenience store. We heard it again and again from the young people, who said, "If you really want to make sure that we don't start smoking, that we're not addicted and that we're not some of the statistics for cancer 25 years from now, then get rid of that advertising because, so many of us, so many of our friends are thinking about smoking, trying to make choices about whether or not we should, and we are so captivated by the advertising that's going on on the countertop and behind the cash register that we decide to make that choice, we buy a pack and it goes from there."

We heard the same from people who had quit. They're trying to stay as non-smokers but they go in, see all that advertising, say, "I'll just buy one pack," and there they go again as well. That's very clear why big tobacco is spending so much money in this regard.

We suggested during the hearings—and I know my colleague Mr. Kormos suggested yesterday—in response to concerns from convenience stores, that the government could do a couple of things. The government could look

at significantly increasing commissions from the sale of lottery tickets in some of these retail stores to help cover some of the loss that will come for some of these stores when they lose the advertising money they get from big tobacco. I know my colleague Mr. Kormos suggested strongly yesterday, and I'll repeat this today, that the government should use some of the money that it gets from taxes on cigarettes and put it into healthy promotion of lifestyle choices in some of these retail outlets to replace the advertising that's going on with big tobacco.

In the last two tax increases alone—and I'm not even talking about the one that went into effect January 18—in the two tax increases that went on before that, in the last year or 18 months, the government has brought in \$220 million of new revenue. I'm not sure how much the government is bringing in with the most recent tax that went into effect about January 18, but we're well over \$220 million. You could use a portion of that and replace the entire amount of money that big tobacco is now spending advertising in retail and convenience stores, which is about \$88 million. From my perspective, that would be a really good way to use that money to make sure that money that's coming from the sale of cigarettes is going back into those places where they're sold with positive advertising to ensure that young people don't start to smoke and that we're sending them good health messages with respect to a broad range of health initiatives: nutrition, fitness etc. That's another source of money.

We do know, because we heard it in testimony about what happened in Saskatchewan, that, once big tobacco was out of the way in terms of taking up a lot of space in retail stores through advertising, there were producers of other manufactured goods, other products, who were very happy to pay to have some of that prime advertising space behind the counter, on the countertop etc.

I think there are lots of opportunities that are open to us to get big tobacco money out of advertising in retail and convenience stores and be able to replace some of that, for a portion of time, to make sure that a whole bunch of retailers don't go down. I don't want to see that and I know the government doesn't want to see that. I've tried to put forward some options and suggestions that could avoid that happening.

Finally, we look at other provinces that have already done this. After a very significant, serious and fierce court challenge, Saskatchewan was successful. Manitoba has done the same thing, Nunavut has done the same thing, and Ontario should do the same thing by 2006. We should have a total ban of tobacco advertising out of all retail outlets and convenience stores by the May 31, 2006, deadline.

I just say this to the government: Think about what we heard during the course of the hearings. We heard some really powerful, overwhelming presentations from young people. I spent some time asking young people what it was about power walls and advertising that attracted them, because I've got to tell you that I, for one, go into a grocery store or convenience store and I don't think

about that. I don't see that; it doesn't influence me in the least. But we heard very powerful testimony that for young people this is a very powerful tool in terms of influencing them to smoke.

One of the studies that we were given information on during the course of the hearings demonstrates that very clearly. We heard it anecdotally but we heard it very clearly in research that was done in California: 2,000 students between grades 7 and 9 who were surveyed, who were frequently in convenience stores. If you take other factors into account in terms of other places where they might see tobacco advertising, the mere fact that they were in convenience stores frequently meant that over 50% of them made a decision to start smoking. I suspect that those numbers would be the same here. I suspect that the influence and the allure and the decision-making would be replicated day in, day out in Ontario.

We're going to have thousands and thousands of new young people start smoking in the next number of years. The government had what I thought was a realistic choice with respect to the banning of countertop. May 2006 gave people time to make adjustments. I'm arguing that we should do the whole nine yards and we should also do it by May 2006. The government should look at some other mechanisms around revenue that I've suggested to help some of those small retailers so they don't collapse entirely. But we cannot afford to have thousands and thousands of new young people start to smoke between 2006 and 2008. We cannot afford that. They will be the statistics 25 years from now. The \$1.7-billion or \$1.9-billion cost that we're already looking at, that you as the government use for statistics, the 16,000 deaths associated with smoking, are going to be that much higher.

1040

If you really mean what you said, which was that part of the goal of this bill is to stop young people from starting to smoke, then do the right thing now. Let's get it all done with respect to the banning of all advertising by big tobacco in retail outlets, and let's do it by the 2006 deadline.

Mr. Fonseca: Ms. Martel, you've made some great points in regard to how this industry looks for different creative and innovative ways of using that space, and we would hope that they would use it for things like health promotion and promoting good, healthy products.

When we listened to all the presenters, from the youth who presented to public health units to the convenience stores, we wanted to make sure that we did this in an orderly way when we looked at power walls, and we actually looked at the definition of a power wall. The power wall was really around the advertising and promotion around the cigarette products, around the display. Those power walls, in all ways, shapes, forms and sizes that are out there, will be banned May 31, 2006. Having done this in a fair and balanced way with the convenience stores, we will not be allowing for any displays. By May 31, 2008, all displays will be out of sight.

This piece of this legislation will go beyond what anybody else in Canada has done. In Saskatchewan, they

do not allow for the displays in any venues that are open to those aged 18 or under, although they do allow for those visual displays to be seen anywhere where somebody is aged 19 or over. So this piece of legislation would not allow for that. Come May 31, 2008, you would not see any tobacco products on any shelf that is visible.

Ms. Martel: I listened to the parliamentary assistant say that no displays will be tolerated, that power walls will be banned, and I look at the government motion that's coming up, number 16, and see under the section that talks about cigarettes that,

"No person shall display or permit the display of cigarettes in any place where cigarettes are sold or offered for sale unless the cigarettes are displayed in the following manner:

"1. Only individual cigarette packages are displayed."

Where are they going to be displayed so that they would be out of sight and out of mind for the young people we're trying to help make a decision not to smoke? This is the government amendment. Where do you anticipate that these individual cigarette packages are going to be displayed, and why wouldn't the display of that have a similar influence on young people making a decision not to smoke? I thought the point of the exercise was to, if I look, "ban countertop and behind-the-counter retail displays of tobacco," which I thought meant getting them all out of sight and out of mind to reduce entirely a situation where they were in people's face?

Mr. Fonseca: As I mentioned earlier in regard to the power walls and the advertising and promotion, that will all be phased out May 31, 2006, so those illuminated walls, those big—I'm not going to name the brands, but the different brands that are displayed with various colours, etc., all around the display will be banned. What will not be banned May 31, 2006, will be the holder or wherever the individual cigarette packages are put, and those will also be banned in terms of not being visible to the consumer May 31, 2008.

Mr. Barrett: Under this NDP motion, as we know, the original legislation does not use the phrase "power wall." The parliamentary assistant talks about power walls, and you gave a bit of a definition. I guess my question on this legislation is: We have a definition for "enclosed public place," for example, or "enclosed workplace." Do we require a definition for the retail wall display area in a store to understand what we're talking about here? You made mention of cigarettes; I'm wondering about chewing tobacco.

Mr. Fonseca: In amendment 16, it's described very clearly what we mean by power walls.

Ms. Martel: I want to return to the line of questioning about the individual cigarette packages being displayed. Can I ask the parliamentary assistant: Where are you going to allow retailers to display individual cigarette packages? Where will they be located in the store?

Mr. Fonseca: I'll refer to legal, but my understanding is that they will be allowed to be displayed anywhere in the store, although no tobacco product will be able to be handled by the consumer till after purchase.

Ms. Glassman: There's no restriction on where the cigarette packages will be displayed. Theoretically, for a store owner who has cigarette packages behind the counter, which is what we heard in most of the presentations, I assume the cigarettes would stay there on the shelves.

Ms. Martel: So: 250 packs right behind me, and I've got the cash here. Maybe there are no lights. What's the difference? Somebody tell me what the difference is. We take down the lights, for those stores that have them, but we heard from the president of the Korean Businessmen's Association that he's got 250 packs in his store. If I look at this, what stops him from continuing to display the 250 packs right behind him on the counter so that anybody who comes to purchase sees that, in all its glory, right behind him at the counter?

Mr. Fonseca: What would happen is that a large portion of the display would come down that is really an advertising display today. What we're looking at is a transitionary period where we'd hope, especially through some of the creative ways that Ms. Martel brought up, that the industry would look at using that space for more preventive and proactive means for the community.

Ms. Martel: What industry?

Mr. Fonseca: The convenience store industry, or anybody selling—

Ms. Martel: We hope that's going to happen, but—

Mr. Fonseca: It's to give them time, Ms. Martel. They would have at least enough time to look at changing their business model and addressing their needs. As we listened to them, they know this is coming; they just want enough time to be able to absorb the change to their business.

Ms. Martel: I've put some suggestions on the table about how I think the government could help them in that regard, and I'm serious about those suggestions. I seriously think that the government should look at the commissions that go to some of these convenience stores right now on the sale of lottery tickets and see what can be done, and I seriously think the government should look at using some of its own money that it takes in from the tax on cigarettes, which is quite significant, and step up to the plate and have health-promotion advertising in some of these stores. I'm quite certain that other folks who produce things will also step up to the plate, but I think there's a role for government if what you're trying to do is stop young people from smoking.

For the life of me—and I'm trying very hard to see how this is going to work—I don't see in your motion any kind of regulation about the number of individual cigarette packages that can be displayed. As I look at that, I have to say to myself that the president of the Korean Businessmen's Association, who has 250 packs now, can continue to have 250 packs. I'm not sure how much he can minimize his display, with that number of cigarette packages. They'll still be there. They'll probably be where they are right now, and the only thing that might be missing would be the bright lights for whoever

has bright lights, and bells and whistles for whoever has those.

I'm having a really hard time seeing what the significant difference is. In fairness, what is the difference here between what we're seeing now, which is advertising in a power wall, and the opportunity for that same individual to still display 250 packs behind the wall?

1050

The Chair: Further debate?

Mr. Fonseca: I want to address Ms. Martel's wanting to help the industry with a new business model. It's my understanding that the ministry has spoken to Minister Cordiano's office and is looking at changing the business model and helping with convenience stores. That is in the works and it is something we would like to see.

Ms. Martel: I appreciate that, but the point I'm trying to make is that it would be not terribly honest to say that no displays will be tolerated, which is what I heard you say—I wrote that down—because your own amendment is going to allow for individual cigarette packages to be displayed in a manner that, I am fearful, will be much the same as the display that young people are forced to see now when they go to the counter. I don't see much change here. I hope you don't continue to bill it like that, because I'm listening carefully to what you say and I hear no restrictions on cigarette packages and no restrictions on where those individual cigarette packages will be, so they can continue to be right behind the counter, where they were before: in people's face. I don't see much change in your amendment—in fact, I don't see any change—that's going to make this much better for young people, whom we are all trying to help in ensuring that they don't start smoking in the first place.

The government has the majority, at the end of the day. You made an election promise. I've got to tell you, we heard overwhelming, powerful evidence from young people that, "We need this out of our face. It is the single biggest reason we start to smoke: seeing that kind of advertising in a convenience store when we're in there three days a week." I regret to say, even with the change you're bringing forward, I don't see how we're going to make it easier for those young people. I don't see, realistically, what the change is here that's going to lessen that form of advertising in their face and in the face of ex-smokers who really want to ensure that they continue to quit.

Maybe you have to sell that, Mr. Fonseca, because you're the PA. I'm hoping some others over there have a different view and would like to do something different. I don't see any significant change, in terms of your proposal, from what is going on in the convenience stores right now. At the end of the day, all we're going to do is defeat what I thought was one of the goals, which was to ensure that young people don't start to smoke, because we know that once they do, they're hooked, and then there are the statistics 25 years later that we heard about all during the course of the public hearings.

Mr. Fonseca: Ms. Martel, I can assure you that you will see significant change within those displays. When I

reference displays, I say advertising and promotional displays, so it's everything around the package of cigarettes. We will do everything in our power to make sure that advertising is not there come May 31, 2006, and further, to May 31, 2008, that all tobacco products will be out of sight.

The Chair: Further debate? Hearing none, all in favour?

Ms. Martel: Could I have a recorded vote, please?

The Chair: Recorded vote.

Ayes

Martel.

Nays

Barrett, Fonseca, McNeely, Milloy, Rinaldi, Wilkinson.

The Chair: The motion is lost.

A PC motion, Mr. Barrett.

Mr. Barrett: I move that section 3.1 of the Smoke-Free Ontario Act, as set out in section 5 of the bill, be struck out and the following substituted:

"Display and handling

"3.1(1) No person shall,

"(a) display or permit the display of tobacco products in a retail store by means of a countertop display; or

"(b) display or permit the display of tobacco products in a retail store in any manner that permits the purchaser to handle the tobacco product before purchasing it.

"Tobacconists

"(2) Nothing in this section prevents tobacconists from displaying tobacco products by means of a countertop display and despite any other provision of this act, a person may smoke or hold lighted tobacco in a properly ventilated smoking room of a tobacconist.

"Definition

"(3) In this section,

"'tobacco product' includes the package in which tobacco is sold;

"'tobacconist' means a retail store whose income is derived solely or primarily from the sale of tobacco."

I know there's talk here of big tobacco. I suppose I would put cigar shops in the category of little tobacco. They are opposed to having their products treated the same as cigarettes, as seen in this legislation. One rationale, that I know they have explained to this committee, is that the federal government through Health Canada and through federal taxation policies, recognizes cigars as being different from cigarettes. The Ontario government, through Ontario taxation policy, has a different regimen for cigarettes as opposed to cigar tobacco. By and large, people do not inhale cigars; by and large, young people do not smoke cigars.

There is a feeling—I'm attempting to reflect this in the motion—that this legislation, as it's now drafted, would have unintended consequences for small cigar stores, the

tobacconists. Much of this legislation—I hear the discussion around the table—is primarily targeting cigarettes, although the parliamentary assistant quite recently mentioned tobacco products—I'm assuming, beyond cigarettes.

The Chair: Further debate? Hearing none, all in favour? Opposed? The motion is lost.

A PC motion, page 14, Mr. Barrett.

Mr. Barrett: I move that section 3.1 of the Smoke-Free Ontario Act, as set out in section 5 of the bill, be struck out.

This is what we received back from legal advice. My assumption is that this relates to the motion I just put forward.

The Chair: Further debate? Hearing none, all in favour? Opposed? The motion is lost.

NDP motion, Ms. Martel.

Ms. Martel: I move that subsection 3.2(2) of the Tobacco Control Act, 1994, as set out in section 5 of the bill, be struck out.

This amendment would have been required if the definition of "places of entertainment" had moved from this section into the definition section at the front of the bill, but it did not, so it's either going to be ruled out of order or voted down.

The Chair: Further debate? Hearing none? All in favour? Opposed? The motion is lost.

To the committee, for procedural reasons, government motion 16 has been split into two. So we'll be looking at 16R.

Mr. Wilkinson: On a point of clarification, Mr. Chair: We deal with 16R and then we deal with 16? What are we doing?

The Chair: We are dealing with 16R and then procedurally we would move to 16.1R. It should be in your package as split.

Government motion 16R, Mr. McNeely.

1100

Mr. Phil McNeely (Ottawa-Orléans): I move that section 5 of the bill be struck out and the following substituted:

"5(1) The act is amended by adding the following section:

"Display

"3.1(1) No person shall,

"(a) display or permit the display of tobacco products in any place where tobacco products are sold or offered for sale by means of a countertop display; or

"(b) display or permit the display of tobacco products in any place where tobacco products are sold or offered for sale in any manner that permits the purchaser to handle the tobacco product before purchasing it.

"Same, cigarettes

"(2) No person shall display or permit the display of cigarettes in any place where cigarettes are sold or offered for sale unless the cigarettes are displayed in the following manner:

"1. Only individual cigarette packages are displayed.

"Promotion

“(3) No person shall, in any place where tobacco products are sold or offered for sale, promote the sale of tobacco products through product association, product enhancement or any type of promotional material, including, but not limited to,

“(a) decorative panels and backdrops associated with particular brands of tobacco products;

“(b) backlit or illuminated panels;

“(c) promotional lighting;

“(d) three-dimensional exhibits; or

“(e) any other device, instrument or enhancement.

“Regulations

“(4) The Lieutenant Governor in Council may make regulations governing what constitutes promotional material for the purposes of this section.

“Interpretation

“(5) In this section, “tobacco product” includes the package in which tobacco is sold.”

“(2) Subsection 3.1(2) of the act, as enacted by subsection (1), is repealed and the following substituted:

“Display

“(2) No person shall display or permit the display of tobacco products in any place where tobacco products are sold or offered for sale in any manner that will permit a consumer to view any tobacco product before purchasing the tobacco product.”

The rationale for this motion is to make clear the restrictions on point-of-sale display and promotional material coming into effect on May 31, 2006, and the total prohibition of display of tobacco products coming into effect on May 31, 2008.

To follow up on the discussions that were held earlier, it’s “The Lieutenant Governor in Council may make regulations governing what constitutes promotional material for the purposes of this section,” so regulations may come into effect to show what is permitted and what is not permitted on May 31, 2006.

The Chair: Debate?

Ms. Martel: I have a few questions. The regulations, as I understand it, refer to what constitutes promotional material. Does it also mean that the Lieutenant Governor will be dealing with the location of cigarette packages or restrictions on numbers of packages displayed in a retail establishment? For me, promotional material is different from actual location and numbers of cigarette packages still to be on display from 2006 to 2008. Can I get some clarification on what the LG actually has some control over?

Ms. Glassman: It is promotion, but I guess what it would come down to is that if you have 10 packages of the same cigarette in a row, would the government consider that promotion and make regulations based on the fact that you are promoting a particular product by placing that many packages out there? I think there’s a difference between displaying your product for sale and having it there as access versus promoting. It’s not specifically listed in (a) to (d); (a) to (d) is really focusing on what’s peripheral—

Ms. Martel: What’s behind or beside the packages.

Ms. Glassman: Yes, what’s peripheral to it. But there is regulation-making ability in terms of promotion. Theoretically, if the government felt that a huge display of all cigarette packages sitting there—that might be considered promotional.

Ms. Martel: You talked about 10 of the same brand. I can understand that as being promotion for one single product. What about 250 different brands?

Ms. Glassman: I wouldn’t see that as promoting a single brand.

Ms. Martel: That’s what I’m worried about. I appreciate your answering the question, because I go back to my original concern: I don’t think it would be fair to say that the Lieutenant Governor, under this section dealing with promotional material, would be in a position to deal with either how much is displayed or where it’s displayed. That continues to be my ongoing concern, that we are still going to see retailers with the same amount of product displayed, which, in at least some of the cases we heard, is a very significant amount of product out in front of young people. It will still make it very alluring to them. That’s the first problem I have with that.

I have some other questions, Mr. Chair.

The Chair: Go ahead.

Ms. Martel: I notice that in this section, the government had a section that dealt with tobacco products—3.1(1)(a) and (b)—and then you had the same for cigarettes. I wasn’t clear what the distinction was.

Interjection.

Ms. Martel: Sorry. I’ll start again.

I’m trying to sort out what distinction the government is trying to make in the amendment. In the original bill, there was not a distinction made with respect to “Same, cigarettes,” which now appears in this amendment. You’ve got the description, “No person shall ... display or permit the display of tobacco products.” Then you have “Same, cigarettes,” and you talk about display, but you don’t talk about handling of cigarettes in that section. Were you assuming that was covered under tobacco products? If it was, how did we end up with a provision that sits by itself that refers only to cigarettes?

Ms. Glassman: I would say it’s an oversight, but the fact is that they wanted to focus on the display of cigarette packages as opposed to cigars, pipes and pipe tobacco in this specific section. So there are no tobacco products on a countertop and there’s no permissiveness to handle tobacco products; in terms of having cigarettes, the idea was that the cigarettes just be displayed in individual packages. There are no specific display provisions for other tobacco products except that they’re not on the counter and you can’t handle them.

Ms. Martel: And the handling is a reference to, at least in part (b)—I should assume that means both tobacco products and cigarettes.

Ms. Glassman: Yes.

Ms. Martel: I wasn’t sure, when you said “oversight,” if you were—

Ms. Glassman: You know what? I shouldn’t have said “oversight.” Really, the intention is that, in terms of

display, you cannot display any tobacco products on a counter, you can't display any tobacco products in a manner that a consumer can handle them, and cigarette packages should be displayed in packages as opposed to cartons. There are no references as to how you display your other tobacco products, except not on the countertop and not in a place where they can be handled.

Ms. Martel: Can I just make one point? I don't think I had other questions in this section, so let me put this on the record. I don't agree with the amendment from the perspective of the timing. I've made that clear. However, the reality is that the current bill says nothing about other displays outside the countertop. This particular provision at least says something with respect to advertising that's not on the countertop, and that's better than nothing at all. So I'd be supporting the amendment, but I'm going to vote against the timeline in one of the last amendments with respect to the deadline when this goes into effect.

The Chair: Further debate? Hearing none, all in favour? Opposed? Carried.

Shall section 5, as amended, carry?

Mr. McNeely: Don't we have to—

The Chair: Since it was split, it will fall under section 5.1.

Shall section 5, as amended, carry? Carried.

Now we have government motion 16.1R.

1110

Mr. McNeely: I move that the bill be amended by adding the following section:

"5.1 The act is amended by adding the following section:

"Places of entertainment

"3.2(1) No person shall employ or authorize anyone to promote tobacco or the sale of tobacco at any place of entertainment that the person owns, operates or occupies.

"Definition

"(2) In this section,

" "place of entertainment" means a place to which the public is ordinarily invited or permitted access, either expressly or by implication, whether or not a fee is charged for entry, and which is primarily devoted to eating, drinking or any form of amusement."

The Chair: Any debate?

Mr. Barrett: What would be examples of places of entertainment? Casinos, for example: Is that what we're—

Mr. McNeely: I would go to legal for that.

Mr. Fonseca: Yep.

Mr. Barrett: I heard a "yep." What are some examples of places of entertainment?

Mr. McNeely: Could I go to legal for that? What is included and what is not?

Ms. Glassman: A place of entertainment would probably be a place where alcohol is available, a bar or other type of establishment in that form.

Mr. Barrett: A bowling alley, for example?

Ms. Glassman: Yes. It's eating, drinking and amusement.

Mr. Barrett: I was wondering what some examples were. I mentioned casinos, and I think I heard a yes. I

mentioned bowling alleys, and I think I heard a yes. What else would it be? A bingo hall?

Ms. Glassman: It could be. It has to be primarily devoted to eating, drinking and amusement. I don't know that a bingo hall falls into that. It's more of a nightclub atmosphere. It's bars and nightclubs, that kind of thing.

Mr. Barrett: So a bingo hall would probably be under another definition?

Mr. Wilkinson: "Enclosed public space."

Mr. Barrett: The "enclosed public space" definition?

Ms. Glassman: A bingo hall would definitely fall into an enclosed public place and an enclosed workplace, but in terms of the purposes of this section, you're looking at promoting—

Mr. Fonseca: At the Air Canada Centre, an amphitheatre, clubs, nightclubs, we've seen that the tobacco industry has often hired so-called cigarette girls or tobacco girls who are out promoting the product. That will not be permitted.

Mr. Barrett: Like, say, a company annual meeting, where they have those girls, for example?

Mr. Fonseca: A company annual meeting? Where would that take place? In an entertainment venue?

Mr. Barrett: That would take place in Delhi.

Laughter.

The Chair: Order, please.

Ms. Glassman: If you focus on the definition, it's "a place to which the public is ordinarily invited." An annual meeting of a specific corporation I wouldn't see as the public being invited.

Mr. Barrett: So if it's private, it may not apply.

Ms. Glassman: Well, you're permitted access whether or not a fee is charged, but it's a public venue.

Mr. Barrett: Strictly public. OK.

Ms. Martel: Can I get some clarification? What's the difference between this and what was already in the bill?

Ms. Glassman: There's no change to it. It's the exact same section.

Ms. Martel: So why did we have to split it out?

Mr. Ralph Armstrong: I'm Ralph Armstrong, legislative counsel.

It's all part of the wonderful world of legislative drafting, which you've probably heard about thousands of times over the years, ma'am. When the section was changed, we're now adding a provision that amends 3.1 after making 3.1, which created a split in our minds between the way the section was originally, which only added 3.1 and 3.2. Having done that, we needed a new section strictly to add 3.2.

If I could tell a story about how these things work, my editor said, "You can't do that all as section 5 now. Do it as 5 and 5.1." The clerk said, "You can't have one motion changing section 5 and adding section 5.1. You need a motion to add 5.1." So now we have this rather odd situation of a new motion to add a provision that was already in the bill. This is my world, ma'am.

Ms. Martel: All right. That's as clear as mud. Thank you very much.

The Chair: Further debate? Hearing none, shall section 5.1 carry? Carried.

Shall section 6 carry? All in favour? Carried.

Shall section 7 carry? Carried.

Now we come to an NDP motion.

Ms. Martel: I move that paragraph 5 of subsection 9(2) of the Tobacco Control Act, 1994, as set out in section 8 of the bill, be struck out and the following substituted:

“5. A place where private-home daycare is provided within the meaning of the Day Nurseries Act.”

This is a section that establishes the prohibitions with respect to where people cannot smoke or hold lighted tobacco: a school, a private school, a common area in a condominium etc., a day nursery. The provision essentially says, “A place where private-home daycare is provided” through the Day Nurseries Act, which means it would be regulated by the government, if it was under the provisions of the Day Nurseries Act, so the government would have a direct involvement in the licensing, the inspection of and determining what goes on in that private-home daycare. In those private-home daycares, there should be no smoking.

Right now, as the provision is stated in the act, smoking is allowed up to any point where the child arrives. Smoking is prohibited only during that portion of the day where there are children in the house. I think that is just ridiculous. I can't imagine that there's any way, shape or form of mechanism to clear smoke out of those premises. It is why I asked—I believe his name was Dr. Graham, who appeared before us from the Lung Association; he was a cardiologist. I asked him a very specific question about what the impact of second-hand smoke still be in the air could be on children, and he told us very clearly that children are even more susceptible to and more at risk from second-hand smoke.

I've moved the provision, because I very strongly feel that if the government is involved in the licensing of a private-home daycare—which also, I should point out, allows for subsidies for daycare in that home such that, if someone qualifies, they get a subsidy for a significant portion of their child care costs from the government of Ontario. The government is involved in many ways in a private-home daycare that's licensed under the Day Nurseries Act, and I feel very strongly that if someone wants to be licensed by the government and wants to get subsidies for some of the parents of children for whom they are providing care, that someone should make the decision that there will be no smoking in that home, period, and not just when there are children or a child in the house.

I think it's very clear—Dr. Graham said it—that it is just impossible to assume that second-hand smoke is being cleared out of that house, and in fact those children would be susceptible to it five days a week for however long their parents use child care. This, for me, is a no-brainer and a really serious safety matter with respect to some of our youngest citizens, whom I am hoping we're trying to protect with this legislation.

1120

The Chair: Further debate?

Mr. Fonseca: The ministry's concern is that with 20% to 25% of the population being smokers—the concern around the availability of child care is why the legislation is being left the way it is.

Ms. Martel: I would have hoped the ministry's first concern would be for the safety and the health and well-being of the children in that care. Mr. Fonseca, I know you've had some discussions with Minister Bountrogianni's office. I gather it's her office saying that this should be kept in place. I just think that is completely irresponsible.

I suspect that in a lot of these operations, the owners aren't smoking now, because maybe their own children are involved in the daycare. That's usually how these things get started: You have your own children and you're staying home, so you decide to care for others, and if you have more than five children in your home, you get licensed and you go from there. Those are all good things. I suspect that most, because they may have their own children involved, wouldn't be smoking.

However, it seems a small but very significant matter to make sure that no child is put at risk of exposure to second-hand smoke. That should be our paramount concern, especially in the legislation before us. I cannot comprehend how we square the circle of saying we're trying to use this bill to protect workers and the general public but that we would leave some of our youngest citizens at potentially the highest risk if smoking goes on before they come to and after they leave those premises.

Mr. Fonseca: We would hope that those who run the child care homes would not smoke, and with this piece of legislation, they would not be permitted to smoke when it is a place of business and the children are there. We'd also hope that the parents who bring their children to child care would investigate and make the right decision around having or not having their children in that home. We would leave it at that.

Ms. Martel: I would think we would move beyond hope to forcing the issue, especially given the clientele we're talking about. I think we're making a mistake with this one.

Mr. Fonseca: Maybe I could refer to legal on this.

Ms. Glassman: The only thing I would add is that I think there would be difficulties with enforcing the section beyond the current drafting. Basically, any kind of enforcement in this type of setting would be complaint-driven. When children are not in the home, it would be very difficult, from a practical perspective, to actually enforce beyond those hours, in terms of knowledge.

Ms. Martel: Except that, because it's licensed under the Day Nurseries Act, inspectors from Comsoc are permitted to go in unannounced at any point to determine what's going on. It doesn't have to be complaint-driven. In fact, they are supposed to be in there for licensing purposes and to do an annual inspection and to make sure this is a home that should continue to be licensed. I don't

see their power as being any different from powers of other people to go into a workplace, for example, during the day. I'm assuming that under this legislation, we are going to send inspectors into workplaces, just like municipalities did when their bylaws went into place to ensure that the bylaws were being enforced. I don't see this as any different.

In the same way that we heard from people that, even where there was a designated smoking area, you could smell smoke long afterwards in areas that were supposed to be pure, I can't imagine that an inspector going in at 5 or 6 o'clock couldn't pick up that smoking was going on or had occurred. You just can't clear smoke out of a residence like that; you can't purify the air. With all due respect, that's just not an argument that I can accept as a reason for not doing this.

Mr. Fonseca: We have John Garcia from public health. Maybe he can speak to this part of the legislation.

Also, I will bring forward to Minister Bountrogianni the idea of maybe having signage within the home so parents are aware of the legalities around that home when children are there.

The Chair: Would you identify yourself for Hansard?

Mr. John Garcia: I'm John Garcia, director of the chronic disease prevention and health promotion branch in the Ministry of Health and Long-Term Care.

One of the principal considerations in the development of policy was to balance public smoking with private residences. I would like to point out that the Smoke-Free Ontario Act is a central piece of the comprehensive strategy that's used by the Ontario government to reduce tobacco use. There will be other components directed at controlling smoke, including public education dealing with smoking in the home.

The concern that's raised is certainly a very legitimate one. There is concern about the exposure of children. It's a matter of judgment as to where to draw the line, and I think the government has made its decision as to how far it has decided to go in that matter.

Ms. Martel: It's a private residence and it's a place of work. It's a workplace, but it's a public space from the perspective of having children there. We don't allow smoking in any regulated child care facilities right now that are not in someone's home; we haven't for a long time. It seems to me a natural extension, especially since the government is directly involved. We can't do anything about private child care where there are fewer than five kids in somebody's home; we can't do anything about that because there are no regulations. We certainly can do something about this, because we license these homes. Over and above that, we give public money for subsidies where parents can qualify. We have a dual role here, and I think that leaves us with lots of leeway to say we have an obligation to do what we think is best, and what we think is best would be to say, "If you want to be licensed, you can't have smoke in that residence at all." I think we really have a tie there that we may not have in other places.

That's the end of that, Chair.

The Chair: Further debate? Hearing none—

Ms. Martel: Can I have a recorded vote, please, Chair?

The Chair: A recorded vote.

Ayes

Martel.

Nays

Barrett, Fonseca, McNeely, Milloy, Rinaldi, Wilkinson.

The Chair: The motion is lost.

An NDP motion, Ms. Martel.

Ms. Martel: Chair, given that the other two amendments that related to this matter have been defeated, I will withdraw this motion. The two amendments that preceded it have been defeated already.

The Chair: The motion is withdrawn.

Page 19 is an NDP motion.

Ms. Martel: My amendment is similar to the next amendment, which is a government motion. In discussing this with the government, I will withdraw mine, because my purpose is also served with the government's motion.

The Chair: Motion 19 is withdrawn.

A government motion, Mr. Fonseca.

Mr. Fonseca: I move that paragraphs 3 and 4 of subsection 9(7) of the Smoke-Free Ontario Act, as set out in section 8 of the bill, be struck out and the following substituted:

"3. A resident who desires to use the room must be able, in the opinion of the proprietor or employer, to smoke safely without assistance from an employee. An employee who does not desire to enter the room shall not be required to do so.

"4. Smoking in the room is limited to residents of that facility."

The Chair: Debate? Hearing none, all in favour? Opposed? Carried.

A government motion, Mr. Fonseca.

Mr. Fonseca: I move that section 9 of the Smoke-Free Ontario Act, as set out in section 8 of the bill, be amended by adding the following subsection:

"Psychiatric facility

"(7.1) Subsection (1) does not apply to a person who smokes or holds lighted tobacco in an indoor room in a psychiatric facility that also serves as an enclosed workplace if the conditions set out below are met, and the obligations under subsections (3) and (6) do not apply to a proprietor or employer with respect to such a room if the proprietor or employer complies with any prescribed requirements respecting the maintenance of the room:

"1. The psychiatric facility is designated in the regulations.

"2. The room has been designated as a controlled smoking area.

"3. A patient of the facility who desires to use the room must be able, in the opinion of the proprietor or

employer, to smoke safely without assistance from an employee. An employee who does not desire to enter the room shall not be required to do so.

"4. Smoking in the room is limited to patients of that facility.

"5. The room is an enclosed space that,

"i. is fitted with proper ventilation in compliance with the regulations,

"ii. is identified as a controlled smoking area by means of prescribed signs, displayed in the prescribed manner, and

"iii. meets any other prescribed requirements."

1130

The Chair: Debate? Hearing none, all in favour? Opposed? Carried.

Government motion 22.

Mr. Fonseca: I move that section 9 of the Smoke-Free Ontario Act, as set out in section 8 of the bill, be amended by adding the following subsection:

"Facilities for veterans

"(7.2) Subsection (1) does not apply to a person who smokes or holds lighted tobacco in an indoor room in a facility for veterans that also serves as an enclosed workplace if the conditions set out below are met, and the obligations under subsections (3) and (6) do not apply to a proprietor or employer with respect to such a room if the proprietor or employer complies with any prescribed requirements respecting the maintenance of the room:

"1. The facility for veterans is designated in the regulations.

"2. The room has been designated as a controlled smoking area.

"3. A resident of the facility who desires to use the room must be able, in the opinion of the proprietor or employer, to smoke safely without assistance from an employee. An employee who does not desire to enter the room shall not be required to do so.

"4. Smoking in the room is limited to residents of that facility.

"5. The room is an enclosed space that,

"i. is fitted with proper ventilation in compliance with the regulations,

"ii. is identified as a controlled smoking area by means of prescribed signs, displayed in the prescribed manner, and

"iii. meets any other prescribed requirements."

The Chair: Debate?

Ms. Martel: I have a question. Is this in reference to a long-term-care home for veterans?

Mr. Fonseca: This is in reference to, I believe, two facilities, Sunnybrook and London, where there are veteran hospitals.

Ms. Glassman: There are two hospitals under the Public Hospitals Act that have veterans' wings in them. They are similar to long-term-care facilities, but the ministry doesn't fund them as long-term-care facilities. The funding actually comes from the federal government, but they're viewed by the residents who live in them as a long-term-care facility. There are two wings at Sunny-

brook Hospital—the Kilgour and the Hees wings—and then there is a stand-alone building in the Parkwood Hospital in London. They're similar to long-term-care facilities, but they're not run through the province. The admission is done through Veterans Affairs Canada.

Mr. Barrett: Just to clarify, this would not apply to, say, an army/navy/air force club room?

Mr. Fonseca: No.

Mr. Barrett: And would not apply to any branch of a Royal Canadian Legion?

Mr. Fonseca: No.

Mr. Barrett: Or the Six Nations—I'm a member of the Six Nations Veterans Association.

Mr. Fonseca: These are facilities at the Sunnybrook and London hospitals for veterans, funded by the federal government.

Mr. Barrett: I was saying that I'm a member of the Six Nations Veterans Association. We have a club room at Ohsweken on the Six Nations reserve. Do we continue to smoke at the Six Nations Veterans Association? It is located on the—I shouldn't say "reserve." It's located on Six Nations territory.

Ms. Glassman: That's a very separate issue from this amendment.

Mr. Barrett: So this whole package applies only to the two facilities?

Mr. Fonseca: Correct.

Mr. Barrett: Just one other question: We've heard so much debate to and fro with respect to fitting proper ventilation in a designated smoking room. Does this assume that proper ventilation would work, essentially?

Ms. Glassman: That's not a legal question.

Mr. Barrett: No, it's more of a technical question. This amendment makes the assumption that ventilation would discharge second-hand smoke.

The Chair: Does the parliamentary assistant wish to reply?

Mr. Fonseca: These hospitals are seen as where the veterans have their private residences.

Mr. Barrett: So the facility would be required to put in proper ventilation, if they don't have it now, that would discharge second-hand smoke?

Mr. Fonseca: That's not talking to this amendment.

Mr. Barrett: Well, 5(i) says, "is fitted with proper ventilation in compliance with the regulations."

Ms. Glassman: Yes, there will be ventilation requirements. They will be set out in regulation.

Mr. Barrett: So I guess we would have no idea what kind of system, whether the door could be left open or closed, whether it would actually discharge the second-hand smoke or not. That would all have to be determined under regulation.

Ms. Glassman: Yes, it will be determined under regulation. I don't anticipate that we would allow the door to remain open. I'll be working with the policy people in public health, who have the background and experience, to determine what they feel are appropriate ventilation requirements for the situation at hand.

Mr. Barrett: So it does recognize that there are appropriate ventilation systems available.

Ms. Glassman: I think the policy is there in terms of recognizing that people are in their homes in some of these unique residential settings. There is definitely a policy put forward by the government, which is within the legislation here, recognizing that people in their own private homes, if they smoke, should smoke, but that there are unique situations where people are residing in care-type facilities, whether it be a psychiatric facility for tertiary care or the veterans' wing of a hospital or a long-term-care facility, where it is pretty much their home. They're just looking for ways to try to accommodate those particular people in their residences.

The Chair: Further debate? Hearing none, all in favour? Opposed? Carried.

An NDP motion, Ms. Martel.

Ms. Martel: I move that paragraph 2 of subsection 9(8) of the Tobacco Control Act, 1994, as set out in section 8 of the bill, be struck out and the following substituted:

"2. The guest room is designed primarily as sleeping accommodation, and has been designated as such by the management of the hotel, motel or inn."

This is to make it very clear that it's the owner or proprietor doing the designation. There is a clear distinction between those rooms, guest rooms included, where you are allowed to smoke and those where you are not. It was to add some more certainty to this section in terms of who is responsible for making that determination and that the room has been designated as such by the management.

The Chair: Further debate? Hearing none, all in favour? Opposed? The motion is lost.

Ms. Martel: I move that subsection 9(9) of the Tobacco Control Act, 1994, as set out in section 8 of the bill, be amended by adding "approved by the Minister of Health and Long-Term Care" after "scientific research and testing facility".

This was to deal with the presentation we had from an individual that—they didn't name the manufacturer, but there was a manufacturer who defined as a testing facility that everyone at their desk was allowed to smoke, and that was considered by management to be testing for the purpose of conducting research into tobacco or tobacco products. Clearly, that's not what we want to support. To ensure that we really do have a testing facility, the sole purpose of which is to deal with tobacco or tobacco products, and not an effort to circumvent the law with respect to no smoking in workplaces, those that really are research facilities have to be designated as such by the ministry to allow that to happen on-site.

1140

The Chair: Further debate? Hearing none, all in favour? Opposed? The motion is lost.

A PC motion, Mr. Barrett.

Mr. Barrett: I move that section 9 of the Smoke-Free Ontario Act, as set out in section 8 of the bill, be amended by adding the following subsection:

"Designated smoking room

"(11) Subsection (1) does not apply to a person who smokes or holds lighted tobacco in an indoor room in a hospitality establishment that also serves as an enclosed workplace if the conditions set out below are met, and the obligations under subsections (3) and (6) do not apply to a proprietor or employer with respect to such a room if the proprietor or employer complies with any prescribed requirements respecting the maintenance of the room:

"1. The room has been designated as a controlled smoking area.

"2. An employee who does not desire to enter the room shall not be required to do so or shall be required to be in the room for no more than 20% of the employee's work shift.

"3. Entrance into the room is restricted to individuals 19 years of age or older.

"4. The room is an enclosed space that,

"i. is fitted with proper ventilation in compliance with the regulations,

"ii. is identified as a controlled smoking area by means of prescribed signs, displayed in the prescribed manner, and

"iii. meets any other prescribed requirements."

Much of the incentive for this particular motion comes from testimony before this committee and briefs submitted, and also the 50% of applicants who oppose the legislation, particularly those in the hospitality industry. Part of this is quantitative; there is a cost put on it. I refer to one study several weeks ago by Dr. Evans about the \$1-billion cost to the bar and pub industry with respect to losing designated smoking rooms, and that was quantified at 50,000 jobs. We heard in testimony from Mr. Michael Perley, with the Ontario Campaign for Action on Tobacco, who in 1999 signed an agreement of support for designated smoking rooms with the Ontario Restaurant Association and the Greater Toronto Hotel Association.

It's predicated on the assumption—as we are aware from a previous government amendment on page 22—that proper ventilation does work, that it does discharge second-hand smoke, and if it can provide a safe environment for residents of Sunnybrook, it can do the same for a person in a bar or a pub. It's predicated on the assumption that ventilation works, as seen in the overturning of the British Columbia legislation similar to what's proposed here, with the substitution of designated smoking rooms with proper ventilation and measures to ensure that employees are not forced to do something they don't want to do.

The Chair: Further debate?

Mr. Wilkinson: Given the fact that Mr. Perley is here, could we have unanimous consent to have him appear and comment on what Mr. Barrett was saying? I think it's only fair, if he's here, that he have some chance to discuss this matter.

The Chair: Mr. Wilkinson is asking for unanimous consent. Agreed. It is up to Mr. Perley if he wants to

come forward. Yes? Please identify yourself for the purposes of Hansard.

Mr. Michael Perley: Michael Perley, director, Ontario Campaign for Action on Tobacco. Thank you very much for this opportunity. Mr. Barrett has repeatedly referenced this agreement and my signature on it and our support for it. It's a great opportunity to clarify the record.

At that point in Toronto, in 1999, when the bylaw campaign was going forward there, the health community and the hospitality industry were presented with a choice by Mayor Lastman: Either we would have no smoking bylaw at all—there would be no restrictions on bars and restaurants—or we would have to accept a bylaw that allowed for designated smoking rooms.

At that time, Dr. Basrur was medical officer of health for the city of Toronto, and she said she did not support designated smoking rooms but would leave the political decision to the council, which was appropriate.

We reluctantly supported this on two grounds, really. A bylaw that regulated what we thought would be the vast majority of premises would be better than no bylaw or at all, first of all. But more important, secondly, we had no experience with designated smoking rooms being constructed in any municipality under any smoke-free hospitality bylaw at the time. If we had known then what we know today, we would never have agreed to that agreement.

The reason is very simple. You've heard testimony from various people, myself included, about a series of tests done by an independent engineering firm on DSRs in York region: 103 were tested, and 78% failed their operating tests, for a variety of reasons. You saw a videotape from Councillor Jenkins, admittedly anecdotal, of several DSRs in Toronto, where there were serving apertures cut in the doors, the doors were left open etc. This mirrors anecdotal evidence from virtually every public health department in every municipality where DSRs are now allowed to operate.

To suggest that somehow our agreement with that bylaw six years ago in any way represents our current attitude about DSRs entirely misrepresents our position.

The Chair: Thank you. Further debate?

Mr. Barrett: A question for Mr. Perley, Chair: You indicated that if you had known then what you know now, you would not have supported it or signed the agreement. We have just seen a government motion passed—and I compliment you; you've attended all five days of our deliberations—where a designated smoking room will be available in Sunnybrook, for example, called a controlled smoking room. Secondly, it will be fitted with proper ventilation in compliance with regulations that are as yet to be determined. Do you have a problem with the proper ventilation in a controlled smoking room?

Mr. Perley: Well, we have no knowledge of what constitutes proper ventilation. I think that's the bottom line. The American Society of Heating, Refrigerating and Air-Conditioning Engineers, or ASHRAE, when it estab-

lished ventilation rates—and they've done this on a number of occasions over the years—up to a couple of years ago allowed for the presence of second-hand smoke when determining ventilation rates for various types of smoking rooms. A couple of years ago, they removed any reference to second-hand smoke as being appropriate for consideration when setting ventilation rates, because of the established science on the toxicity of that substance.

There have been numerous references to the BC model, which I think have also entirely misrepresented what goes on there. In fact, a door to a smoking room is not required under the BC regulations, and also, the workmen's compensation board panel there did not agree with the current model that was put in place in BC. So references to the BC model I think are quite spurious.

We have no knowledge of what would constitute a ventilation system in a DSR that would guarantee that no smoke would escape from the DSR. We've done a lot of research in this area and we're not aware of any model that would fit that bill.

1150

Mr. Barrett: As the province of Ontario develops a regulation for a proper ventilation system in a controlled smoking room, who they should consult with regarding ventilation?

Mr. Perley: I would assume ASHRAE would be the appropriate body to consult with, as well as public health authorities, notably Dr. Basrur.

Mr. Barrett: Someone, obviously, with technical expertise, people who have put in ventilation systems for medical labs or underground mines?

Mr. Perley: I'm not certain that any of those ventilation systems address this particular issue. There is no safe level of exposure to second-hand smoke, so I don't know how you establish a ventilation system to clear a room of a substance to which there is no safe level of exposure permitted. I suppose there are technical people you can consult, but whether they will actually produce a design that does the job is questionable to us at best.

Mr. Barrett: Do you think there is any possibility, then, that it would put veterans at Sunnybrook at risk from second-hand smoke?

Mr. Perley: If it's one veteran at a time in a sizable room by himself or herself, it's a question of how extensive that risk is; I think it would be very modest, though there might still be some residual risk. To me, it's not a question of the individual veteran, because we're not talking about circumstances that are at all similar to, say, hospitality premises. The question is that after a period of time, somebody has to go in and clean that room and somebody has to clean the ventilation equipment, and can we guarantee that such a person will be protected from what would be exposure to very heavy concentrations of a toxic substance? I don't know that we can guarantee that. That's another person and another group of people that you have to take into consideration. I'm not sure that any protocol you put in place can guarantee protection for those people.

The Chair: Further debate? Hearing none, all in favour?

Mr. Barrett: Recorded vote.

The Chair: Recorded vote.

Ayes

Barrett.

Nays

Fonseca, Martel, McNeely, Milloy, Rinaldi, Wilkinson.

The Chair: The motion is lost.
PC motion 26.

Mr. Barrett: I move that section 9 of the Smoke-Free Ontario Act, as set out in section 8 of the bill, be amended by adding the following subsection:

"Grandfathering

"(12) Nothing in this section prevents a person from smoking or holding lighted tobacco in a designated smoking room that,

"(a) is fitted with proper ventilation in compliance with the regulations;

"(b) is identified as a controlled smoking area by means of prescribed signs, displayed in the prescribed manner;

"(c) meets any other prescribed requirements; and

"(d) was in existence as a designated smoking room before May 31, 2006."

By way of brief explanation, we've discussed ventilation and the issue of designated smoking rooms. What has sparked this particular request for an amendment is the situation with a number of establishments that, in good faith, constructed designated smoking rooms and installed the ventilation equipment in compliance with municipal bylaws, based on advice and recommendations from Mr. Perley, for example, and through the Ontario Restaurant Association and Greater Toronto Hotel Association. They incurred a cost ranging from, say, \$10,000 to \$20,000 up to, we've been told, \$300,000 to establish one of these designated smoking rooms. Martin McSkimming, with Hemingway's Restaurant, testified that he built one that cost him \$300,000. I think he is in the Yorkville area, just north of here. He built this two years ago as a business person. To pay for his initial investment, let alone loss of ongoing business from smoking clientele, he says he'd need at least 10 years to depreciate that kind of investment.

The Chair: Further debate?

Mr. Wilkinson: With all due respect to the member, it would be difficult to vote for something to protect grandfathering for something that doesn't exist yet. May 31, 2006, hasn't existed yet. My understanding of grandfathering, in regard to the tax laws of this country, is that it has to do with something that has already happened, not something that would happen.

Mr. Barrett: That's not my understanding. Very simply, he built it two years ago. In 2006, under the proposed legislation, it will be history. He spent \$300,000 two years ago and he wants to depreciate his costs over 10 years at a minimum. He may voluntarily—maybe we're speculating about what he would do with this in future, but we do know that he has built it, it's there, and his customers are there. Because he has already invested \$300,000 and is a person who believes in the principle of property rights, he would like to be grandfathered.

Mr. Wilkinson: Referring to clause (d) of your motion, with all due respect, "was in existence ... before May 31, 2006"—you can't be in existence before that without saying that they're permitted until 2006. That's not grandfathering people who have already made an investment; that's giving a green light to everybody in this province who wants to have a DSR and get it in before May 31, 2006. We are opposed to designated smoking rooms, and that's why I'm sure we'll be voting against the motion.

Mr. Barrett: Maybe you're arguing a technicality I don't understand. Perhaps the lawyer didn't write this properly. I didn't write it. Maybe someone could clarify that. I didn't mean to mislead people here. I'm talking about grandfathering. Could I get some advice on that? I'm not a lawyer and I'm not a tax specialist.

Mr. Armstrong: Sir, I was the drafter on this. My understanding of what was intended was that it was grandfathering in the sense that people who, as of now or up to the time the new legislation comes into force, have a designated smoking room installed would be able to have it after the act comes into force. "Grandfathering" is a term of wideness. I would have thought that it would be regarded as grandfathering places that were legal before May 31. If it's regarded as a loophole, that it would allow new places to be put in between today and that time, I apologize if I did not understand the intent. But my understanding was that the idea was to allow people to have their designated smoking rooms on June 1, 2006, that were legal as of May 31, 2006.

Mr. Barrett: My intention is not to have a municipality stampede and start giving permission for designated smoking rooms to be built between today and May 31, 2006. That certainly was not my intention.

The Chair: Further debate?

Ms. Martel: The intent is that those establishments that have DSRs will be allowed to continue the operation of those DSRs after May 31, 2006. Is that the intent, just so I'm clear?

Mr. Barrett: Yes. Simply, that would be my intent. They have built them.

Ms. Martel: OK. If I can speak to that, I can't agree with that. I think I've been pretty clear and consistent that we should shut down DSRs. In my own community, we never allowed for them in the first place when the bylaw was put in place, and I think that made the most sense for everybody.

I have said, and I should repeat this again, that I think the government should consider the matter of those pro-

prietors, those owners, who, given the bylaw in place at the time and in full compliance with that bylaw, established DSRs, not knowing what the government was going to do. The government has said, "This is what our intention was," but we've also had some discussions about that fact that sometimes the government's intentions don't come to fruition. I think the government should look at the matter of compensating those who did and were in full compliance and did everything legal at the time to meet the provisions of the bylaws that were in place in a municipality. I've also said that there is some precedent for a government doing that. Certainly the former government did when it unilaterally cancelled the spring bear hunt.

I think that's what the government should do, but I would not and could not agree that DSRs should continue. It was not in place in our municipality, and that was probably the best thing that ever happened when the bylaw went into place.

The Chair: The committee will need to recess now until orders of the day or 3:30. Do you wish to vote before we recess?

Mr. Wilkinson: I seek unanimous consent that we vote on this.

The Chair: Do we have unanimous consent to vote on this motion? Agreed.

Mr. Barrett: I request a recorded vote.

The Chair: Recorded vote.

Ayes

Barrett.

Nays

Fonseca, Martel, McNeely, Milloy, Rinaldi, Wilkinson.

The Chair: The motion is lost.

We are recessed until orders of the day or 3:30.

The committee recessed from 1200 to 1556.

The Chair: The standing committee on finance and economic affairs will come to order. We will continue clause-by-clause of Bill 164.

Ms. Martel: On a point of order, Mr. Chair: I'd like to move a motion that was not included in the package that members received today. I am seeking consent from the committee to be able to move that motion at this time.

The Chair: Do we have consent? Agreed.

Ms. Martel: I move that paragraph 5 of subsection 9(2) of the Tobacco Control Act, 1994, as set out in section 8 of the bill, be struck out and the following substituted:

"5. A place where private-home daycare is provided within the meaning of the Day Nurseries Act, whether or not children are present."

I think I made my point earlier, so I won't belabour it now. I would look forward to the passage of this motion.

The Chair: Debate? Hearing none, all in favour? Opposed? Carried.

PC motion, page 27.

Mr. Barrett: I move that section 9 of the Smoke-Free Ontario Act, as set out in section 8 of the bill, be amended by adding the following subsection:

"Exceptions

"(13) Nothing in this section prevents a person from smoking or holding lighted tobacco in any branch hall or other building of the Royal Canadian Legion or the army, navy or air force, or in any private club."

By way of discussion, from testimony before this committee and various communications or meetings that I have had, in a sense what Legions and other veterans' organizations are requesting is a separately confined and ventilated smoking area to be allowed in their halls. They indicate that many of the branches would find it difficult to raise the money to build something like this; however, they do request that they be given the choice.

In testimony they have indicated that they are member-only, private organizations, and the freedom of choice is requested by the various representatives, people I have spoken with, to protect the rights of all, whether they smoke tobacco or do not smoke tobacco. It's felt that this would not infringe on an employee's rights with respect to those who wish a smoke-free environment. Much of their operation is run by volunteers. They have assured us that public access would not be permitted.

Further to that, just to give you an idea of how many halls we're talking about, the Legion itself in Ontario has 428 branches and a membership of 168,352 individuals. It is, again, a member-only, private organization, incorporated under the act to incorporate the Royal Canadian Legion. Across Canada there are something in the order of 500,000 Legionnaires.

Just to sum up, my concern is that this kind of legislation is disrespectful to veterans. You are putting other members of the Legion in a position where they would have to go up to a veteran and tell them to take that cigarette or that cigar out of their mouth.

We also heard testimony that there was a concern, without the option for some Legions to have the choice of a designated smoking area, that this would hasten the closing of a number of Royal Canadian Legions across Ontario.

The Chair: Further debate? Hearing none, all in favour?

Mr. Barrett: Recorded vote.

The Chair: A recorded vote has been requested.

Ayes

Barrett.

Nays

Fonseca, Marsales, Martel, McNeely, Milloy, Wilkinson.

The Chair: The motion is lost.

NDP motion on page 28.

Ms. Martel: I move that subsection 9.1(3) of the Tobacco Control Act, 1994, as set out in section 8 of the bill, be struck out.

This is a section that involves the right of home health care workers to leave a home and not provide a health care service if the person they are providing the service to refuses to comply with a request not to smoke when the home health care worker is on the premises. Right now, the bill says that a home health care worker has the right to leave without providing further services unless to do so would present an imminent serious danger to the health of any person. But the bill also goes on to say that a home health care worker cannot exercise that right to leave unless he or she has acted in accordance with regulations under subsection (4).

I can't imagine what regulations we could—or, more importantly, should—be putting into place that would set up a schedule or a protocol which a home health care worker has to follow in order to exercise their essential right to refuse and their right to leave. We have said this bill is about protecting workers from second-hand smoke. We have said that that is going to be across all workplaces. It's going to be in public places. In this provision, we are talking about protecting a home health care worker who faces second-hand smoke while they're trying to provide a health care service. I don't think there's any provision, protocol or framework under which someone has to justify their doing that if they don't want to be subjected to second-hand smoke. The provision already says they won't do that unless there's a present, imminent danger. I think that's the only circumstance under which someone might not leave that particular home.

Otherwise, from my perspective, there's no other reason why a worker should have to put up with that, if they have indeed asked someone to quit smoking and they refuse to do so. What it does is to strike out any possibility that someone can only exercise that right if they follow regulations that have been made under this section outlining what they have to do in order to leave.

The Chair: Further debate?

Mr. Fonseca: I believe our legal counsel will speak to what provisions will be put in the regulations in regard to the health risk.

Ms. Glassman: I apologize, because I didn't hear all of your comments, but I will address why we drafted it the way we did. We felt that it would be in the best interests of the people running the agencies and the workers themselves to have some guidelines set out, so they would feel that there were some parameters that they could relate to in terms of, if they're going to leave, if there's a right to leave, as opposed to just saying, "You can leave." Unless to do so would present an immediate danger, we really felt that regulations would assist the service providers directly by having a bit more laid out than just that sentence.

Ms. Martel: Can I ask, what does the ministry perceive to be appropriate or legitimate circumstances, other

than imminent danger, that a home health care worker would have to follow before they leave? As a home health care worker, you come into that establishment, you say very directly to the client you're going to provide service to, "I'd appreciate it if you don't smoke when I'm here," and the client ignores your request and proceeds to do that. Unless your leaving is going to pose some imminent danger, what could possibly be the other scenarios whereby we wouldn't just expect someone to leave under that circumstance?

Ms. Glassman: It's definitely immediate, serious danger to the health of a person. We just wanted to have the ability to put more detail in regulation, to provide further clarity, if it was necessary. It's a judgment call. In terms of the wording, yes, the wording is clear, but "immediate, serious danger" might mean one thing to one person and something to someone else. It's just to set out guidelines in terms of what you do when you do leave. Do you phone your employer? Do you make other arrangements?

Ms. Martel: OK, but we're not putting what I would describe as an additional burden on any other worker to justify why they're leaving. Even in the case of someone working in a long-term-care home, we have said that as long as the proprietor makes it clear that that person has to be able to safely be in a smoking room, we have no additional requirement for a worker to assist or not to enter.

We're very clear: Either you can safely smoke or you shouldn't be in there, and we're certainly not expecting anybody else to be in there. For me, even if it's not clear what the regulation or the parameter might be, it seems to me that we are putting an additional onus or obligation, an additional responsibility, on a home care worker to meet an as-yet-unspecified framework before they can leave. We know from the legislation already that they will have to respect the fact that they cannot leave if there is serious and imminent danger. That's clear in the legislation; that's going to be made clear to the worker. But I can't for the life of me foresee what would be a potential other scenario that we would have to consider by regulation which we would put in place before they could leave.

They shouldn't be subjected to second-hand smoke. If someone doesn't want to stop and they're not in danger, they're out of there and that's it. There shouldn't be any other obligation or any other protocol for them to follow, from my perspective.

Mr. Fonseca: I just thought of an example as Ms. Martel was speaking. Say there was a home care patient who may have Alzheimer's, and their regular caretaker or person who is with them at all times—because they can't be left alone for fear of turning on the stove or whatever else may happen—isn't there; then the home care worker comes in. The Alzheimer's patient wants to smoke and they just take control and start smoking. What would happen in that situation? The home care worker would have to make a call, I guess, but would not leave the premises right away for fear of danger of leaving the Alzheimer's patient alone.

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Ms. Martel: OK, but I'd counter with this: I think most home health care workers who are providing home care services to Alzheimer's patients clearly recognize what they're dealing with and would themselves assume that leaving an Alzheimer's patient alone would present a serious risk. I can't fathom a circumstance under which—especially dealing with an Alzheimer's patient—that you, as a home care worker, wouldn't have that at the top of your mind. You're not going to leave that person. You may not like them smoking when you've asked them not to, but you're not going to leave that person until a family member or whoever shows up.

Ms. Glassman: I'll just say a couple of things. First of all, in terms of the protection for the home care workers versus what goes on in a long-term-care facility, in a long-term-care facility a person is still in a place where there is supervision and there are staff. The province tries to maintain that people can remain in their home as long as possible without having to go into a facility, and that's where this whole home care program comes from. People who work in the community obviously are very dedicated and devoted to the people they serve, but I think that people do have different abilities. Some might be more sensitive and recognize what this means over others. Different people have different levels of expertise. Some people have been working in the field for years; other people may not have been.

When we were drafting this, we were really seeing this as a safety mechanism and as something, as I said before, not to repeat myself, to just provide clarity and set out what we would think are acceptable steps to take. We put it in here because we fully support the right to leave. We don't think these workers should be exposed to second-hand smoke, but having said that, we just wanted the ability to create some additional guidelines, if necessary, in regulation.

Ms. Martel: I disagree. I appreciate what you've said, but I guess I can't really see a scenario where there could be some other regime in place where we would say they would have to stay.

Ms. Glassman: That's not what this is saying. This is actually—

Ms. Martel: It sounds like you're saying, "If you don't meet this protocol, you'd better be staying." You have to meet X, Y and Z before you can leave.

Ms. Glassman: I think it's more steps to take if you are going to leave. What do you do? If you're going to leave somebody in their home—it's what I said earlier. It might be that you're phoning your employer. You're saying, "I'm not providing the service. The person is smoking. They are not responsive to my request."

Ms. Martel: But if you look at the language—

Ms. Glassman: That's what the regulations are for. It's not to say that you can't leave if there is a threat. It's saying: These are the circumstances that you follow if you leave.

Ms. Martel: But it also says "a home health care worker may not exercise a right to leave." That's pretty

clear. You cannot exercise your right to leave "unless regulations have been made under subsection (4) and he or she has acted in accordance with those regulations." That says to me that, outside of a serious issue, where you probably wouldn't leave anyway, you can't leave unless you do (a), (b) and (c). I just say again to the government members, I can't imagine what that circumstance would be, because we've covered off the serious danger. I can't imagine what the circumstances would be where we would say to a worker, "You can't leave unless you do (a), (b) and (c)," if (a), (b) and (c) have been established.

Ms. Glassman: It's more meant for reporting requirements—on that level. It's really to keep communication, because you don't know—I think there are a lot of scenarios where people are in their homes, and some people are there without a caregiver or without a family member. Most people probably are, but you find different circumstances for people who are receiving care and services in their home. We felt it was, from a safety perspective, for everybody's best interests to be able to set out something of our expectation.

Ms. Martel: I'll just end by saying this, because we're not going to come to a meeting of the minds on this. I would assume that most home care agencies have a number of policies and procedures already in place for their workers in homes on a broad range of—"If this happens, this is what you do." I assume that most CCACs have reporting requirements already, or if not, the agency they work for that's contracted by the CCAC has that in place.

What I don't want is a scenario where somebody at some point has a regulation-making power that would put an additional or an undue or an unfair burden on a home health care worker to do something before they leave. For me, just putting that possibility, just leaving that open in regulation, sets up that possibility. I just don't think we should be there. I'll stop with that.

Mr. Fonseca: We'd like to defer this so that we could just revisit some of the wording, if that would be all right, acceptable with everyone.

The Chair: It's agreeable with the mover?

Ms. Martel: We'd have to do both, because the next one is the same.

Mr. Fonseca: OK. We ask that we defer also the next one.

Ms. Martel: If I might speak to the next one, because it's also mine, and it was for number 4. It was also speaking to the regulation-making power in the same section. So I assume we need to defer both.

The Chair: Are we agreed to defer? Agreed.

Shall section 9 carry? All in favour? Carried.

Section 10: Government motion 30.

Mr. Fonseca: Section 10 of the bill, subsection 13(4) of the Smoke-Free Ontario Act: I move that section 10 of the bill be amended by adding the following subsection:

"(2) Subsection 13(4) of the act is repealed and the following substituted:

"Place for traditional use of tobacco

"(4) At the request of an aboriginal resident, the operator of a hospital, facility, home or other place set out below shall set aside an indoor area, separate from any area where smoking is otherwise permitted, for the use of tobacco for traditional aboriginal cultural or spiritual purposes:

"1. A hospital as defined in the Public Hospitals Act.

"2. A private hospital as defined in the Private Hospitals Act.

"3. A designated psychiatric facility.

"4. A nursing home as defined in the Nursing Homes Act.

"5. A home for special care under the Homes for Special Care Act.

"6. An approved charitable home of the aged under the Charitable Institutions Act.

"7. A home as defined in the Homes for the Aged and Rest Homes Act.

"8. A place that belongs to a prescribed class."

The Chair: Any debate?

Mr. Barrett: It's a comment, perhaps a question. The "place for traditional use of tobacco"—and I assume that refers mainly to smoking—

Mr. Fonseca: I'm not sure if it's burned. It's spiritual and it's put in the air, though, yes.

Mr. Barrett: "Put in the air." In contrast to the Sunnybrook example, this amendment does not include the requirement for proper ventilation. Is there a reason for that?

Mr. Fonseca: I would ask legal.

Ms. Glassman: It's actually a technical amendment. We didn't change the meaning of the section. So, in fact, the current wording right now in subsection 13(4) of the Tobacco Control Act states that, "At the request of an aboriginal resident, the operator of a health facility, home or institution referred to in subsection 4(2) shall set aside an indoor area, separate from any area where smoking is otherwise permitted, for the use of tobacco for traditional aboriginal cultural and spiritual purposes."

Really, all that was done here was the reference to subsection 4(2), which was felt to be a little out of whack, so to speak, with what the section is talking about, because they're referring you to a section which talks about prohibition of sale in designated places. The meaning of the section was not changed; it was simply that the list of places referred to in subsection 4(2) was moved. The motion is to move the actual specified list into 13(4). The original section didn't deal with ventilation, and there was no motion put forward to add any further restrictions to the cultural use of tobacco. It's simply to move the places over.

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Mr. Barrett: I see that. I questioned why there is not proper ventilation included, in contrast to the two hospitals that were discussed earlier for other residents.

I know we did receive a briefing from our research officer with respect to First Nations reserves. What is the rationale to separate out an aboriginal resident to use tobacco, say, for cultural purposes versus somebody

from—I don't know. We have so many people in my area who came up from North Carolina, Virginia, Georgia, South Carolina. Smoking tobacco means something to them. Why is there this separation? They're not on a native persons' reserve, and I assume they're not on other non-reserve territories that they actually have a rightful claim to but that aren't reserves. Why would there be that distinction in this case? Just because somebody asked?

Ms. Glassman: It has been entrenched for some time that aboriginals use tobacco for ceremonial purposes. I think there's just a desire to respect that use, especially since I think it can be used for healing purposes. When someone's in a health care facility, there are times when they desire to have a ceremonial use for it. I think there's a belief that it can help assist with recovery and with spiritual wellness.

Mr. Barrett: When we say "ceremonial," that includes cultural and/or spiritual? I don't think the word "ceremonial" is in here, but I—

Mr. Fonseca: Cultural.

Mr. Barrett: Cultural.

Again, my point is that people use tobacco for many reasons, as we use alcohol for many reasons. Oftentimes it's for relaxation or socialization—many reasons in addition to that many people are dependent on it. So I do raise that question.

Ontario is host to so many various cultural groups that bring so many traditions with them. I make reference to my area. We have hundreds of families that came up from the south to establish the tobacco industry back in the 1920s and the 1930s. I just raise that issue. None of those families asked. I assume someone here asked for this.

Mr. Wilkinson: Just a point of clarification for my friend: My understanding is that it was the aboriginal community that came and asked the government to include this. I don't believe there were any other groups that came forward and made a request like this on spiritual grounds. I think the government is proud to be able to introduce this amendment to take into consideration their unique situation in our very diverse and wonderful province.

Mr. Barrett: So it doesn't tie in with a federal law or exemptions in other provinces where, for example, native reserves are not subject to tobacco legislation. It just happened that a certain cultural group that just happened to be aboriginal requested this.

Mr. Wilkinson: We're very cognizant of the charter and people's constitutional right to participate in religious ceremonies. I think we have to be very sensitive to that in this great province of ours.

Mr. Barrett: I fully agree; we do have to be sensitive to people's feelings around the use of these products.

Ms. Glassman: I would only point out that it was in the previous Tobacco Control Act, and there was no desire to remove that section. There was a request put forward or a questioning by the relevant parties to ensure that that section was going to remain in the act.

Mr. Barrett: I don't think it came before this committee. Was it one of the briefs that we received? I'm trying to remember. I know so many people did not have a chance to address the committee, but I don't recall any testimony. Was it a brief submitted to this committee? I may have missed it.

Ms. Glassman: No. As I understand it, it has been made public that the ministry and the minister have been trying to work with First Nations communities in terms of the contents of the bill, adopting the bill and the general aboriginal tobacco strategy that's being put forward.

Mr. Barrett: So it didn't go through the standing committee?

Ms. Glassman: No.

The Chair: Further debate? Hearing none, all in favour? Opposed? Carried.

Shall section 10, as amended, carry? Carried.

NDP motion 31, Ms. Martel.

Ms. Martel: I move that subsection 11(2) of the bill be struck out and the following substituted:

"(2) Subsection 14(8) of the act is amended by striking out 'and' at the end of clause (d) and by adding the following clauses:

"(f) if he or she finds that an employer is not complying with subsection 9(3), direct the employer or a person whom the inspector believes to be in charge of the enclosed workplace to comply with the provision and may require the direction to be carried out forthwith or within such period of time as the inspector specifies; and

"(g) if he or she finds that a proprietor is not complying with subsection 9(6), direct the proprietor or a person whom the inspector believes to be in charge of the enclosed public place to comply with the provisions and may require the direction to be carried out forthwith or within such period of time as the inspector specifies."

If I might speak to it, members will see that amendment (f) is essentially the same as clause (f) that appears in the current bill. The new section is actually clause (g).

In (f), you will see that we are talking about an inspector dealing with an employer in an enclosed workplace to deal with matters under this legislation. There was not a similar section to deal with who would be in charge if there was a violation of the act in an enclosed public space, so the addition is with respect to a proprietor who the inspector believes to be in charge of an enclosed public space. We cover off both in (g), dealing with somebody who's responsible for the workplace and dealing with that person in charge in the enclosed public space.

Mr. Wilkinson: I'd like to commend the member for bringing this amendment forward.

The Chair: Further debate? Hearing none, all in favour? Opposed? Carried.

Shall section 11, as amended, carry? Carried.

Government motion 32?

Mr. Fonseca: I move that section 12 of the bill be struck out and the following substituted:

"12(1) Subsections 15(1) and (2) of the act are repealed and the following substituted:

"Offences

"(1) A person who contravenes section 3, 3.1 or 3.2, subsection 4(1), section 5 or 9 or subsection 13(4), 14(16), 16(4), 17(6), 18(4) or (5) is guilty of an offence and on conviction is liable to a fine determined in accordance with subsection (3).

"Same

"(2) A person who contravenes section 6 or 10 or subsection 18(1) is guilty of an offence and on conviction is liable, for each day or part of a day on which the offence occurs or continues, to a fine determined in accordance with subsection (3)."

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"(2) Subsection 15(8) of the act is repealed.

"(3) Subsection 15(9) of the act is amended by striking out 'or (8).'

"(4) The table to section 15 of the act, as amended by the Statutes of Ontario, 1997, chapter 10, section 26, is repealed and the following substituted:

"TABLE

Column 1	Column 2	Column 3	Column 4
Provision Contravened	Number of Earlier Convictions	Maximum Fine— Individual	Maximum Fine— Corporation
		\$	\$
3(1), 3(2), 3.1, 3.2	0	4,000	10,000
	1	10,000	20,000
	2	20,000	50,000
	3 or more	100,000	150,000
3(6), 4(1), 6, 10, 14(16), 16(4), 17(6), 18(1), 18(4), 18(5)	0	2,000	5,000
	1	5,000	10,000
	2	10,000	25,000
	3 or more	50,000	75,000
5	0	2,000	100,000
	1	5,000	300,000
	2	10,000	300,000
	3 or more	50,000	300,000
9, other than subsection (4)	0	1,000	
	1 or more	5,000	
9(4)	any	4,000	10,000
13(4)	any	4,000	10,000

The Chair: Further debate?

Ms. Martel: I have a question, Chair. The table appeared to be the same under the previous act and this one. Was the change because there is renumbering in the bill? Is that essentially what's happening here? I was trying to sort it out. It didn't look like the fines themselves had changed.

Ms. Glassman: The fines haven't changed. It's simply the date that it's coming into force and effect due to the changes in 3.1.

Ms. Martel: OK.

Mr. Barrett: A further question: I haven't been able to cross-reference the various columns on this table. I see that the first fine is \$4,000 for an individual. What would that refer to?

Ms. Glassman: I apologize. I didn't—please, ask again.

Mr. Barrett: I was just trying to get a bit of a matrix here, with four columns. If I just go down, column 3, where I see a dollar figure, there's a \$4,000 fine. What would that be for? I'm sorry; I haven't been able to go through it.

Ms. Glassman: It's a maximum fine.

Mr. Barrett: Yes. What's the minimum fine?

Ms. Glassman: It's the maximum. There's no minimum set. Usually the fines are much lower than that. The fines are actually the same as they are in the current act. The fines have not been increased at all. We've only added fines for new offences.

Mr. Barrett: So, for example, the maximum \$4,000 fine would be for—

Ms. Glassman: Section 3 deals with providing tobacco to somebody who is under 19 years of age; 3.1 is the display section; 3.2 is promoting a tobacco product at an entertainment venue.

Mr. Barrett: OK. For example, is there a fine for an individual caught smoking in a bar, under this proposed bill? I didn't mean to be that specific. Are there any fines for anyone disobeying the law as far as, say, walking around a pub or a bingo hall with a cigarette in their mouth?

Ms. Glassman: Yes.

Mr. Barrett: There is?

Ms. Glassman: In section 9. Section 9 is the general prohibition in the act. Subsection 9(1): "No person shall smoke tobacco or hold lighted tobacco in any enclosed public place or enclosed workplace." Section 9, if you look on page 2 of the chart—

Mr. Barrett: Page 2, section 9—it's \$4,000?

Ms. Glassman: It should be \$1,000.

Mr. Barrett: It's \$1,000. OK.

Ms. Glassman: It's if you've had no prior convictions. If you've had one or more prior convictions, then the maximum would be \$5,000.

Mr. Barrett: That's the same as for possession of marijuana, \$1,000 for possession?

Ms. Glassman: As a maximum fine? I don't know what the maximum fine is for possession of marijuana. Possession of marijuana is a criminal offence, so I'm not sure that they're—

Mr. Barrett: I think anything under 30 grams is \$1,000 for possession, maximum, as I understand it.

Mr. Wilkinson: We don't know.

Mr. Barrett: Does anybody here know? I see other figures going up to \$300,000. I'm just trying to get a feel for this. I guess no one has any of that information.

Ms. Glassman: I can't answer your question.

Mr. Barrett: For possession of marijuana, as I understand it, under 30 grams it's \$1,000.

I'm assuming, going up to a corporation, that a \$300,000 fine would probably be for a restaurant chain that allowed people to smoke in their place. I just wanted to get a feel for this.

Ms. Glassman: Let's look at the section where the \$300,000 fine is.

Mr. Barrett: OK. We did the \$1,000. I just wondered about the \$300,000.

Ms. Glassman: This is from section 5 of the current act, so there have been no amendments to section 5 in the Tobacco Control Statute Law Amendment Act. The current section 5 deals with packaging requirements. Subsection 5(1) reads, "No person shall sell or offer to sell tobacco at retail or for subsequent sale at retail or distribute or offer to distribute it for that purpose unless,

"(a) the tobacco is packaged in accordance with the regulations; and

"(b) the package bears or contains a health warning and other information in accordance with the regulations."

In subsection 5(2): "No person shall sell or offer to sell cigarettes at retail or for subsequent sale at retail or distribute or offer to distribute them for that purpose unless the cigarettes are contained in packages of at least 20 cigarettes or such greater number as may be prescribed by regulation."

So the fines you're asking about, for \$300,000, are the maximum corporate fines, and they deal with the packaging requirements and not complying with them.

Mr. Barrett: Yes. For example, the new amendment to ban back wall retail display in convenience stores: There's no fine if they display?

Ms. Glassman: Yes, there is. That was the first one you asked me about. It's on the first page of the fine, as 3.1. I'd mentioned that we added new fines for 3.1 and 3.2, but the numbers, the actual amounts of the fines, are consistent with other fines that are in the table. So the fine for your first offence, if you're an individual, is \$4,000. If you're a corporation, it's \$10,000. If you've had one prior conviction, if you're an individual, the maximum is \$10,000, and the maximum fine for a corporation is \$20,000. For two or more prior convictions, the maximum fine for an individual is \$20,000; a corporation is \$50,000.

Mr. Barrett: So those weren't on the books before.

Ms. Glassman: They weren't on the books, but I guess the point I was trying to make was that the fines that were added, we tried to keep the amounts in the ballpark of what was already in the chart. On all prior fines, all the fines that are in the current Tobacco Control Act, 1994, none of those fine amounts were increased.

Mr. Barrett: I guess the only new penalties, then, would be with respect to the back wall display amendment.

Ms. Glassman: And now there's a general prohibition. Under the previous Tobacco Control Act, you were only prohibited from smoking tobacco in certain places, and there was an ability to create a DSR in some of those places—

Mr. Barrett: DSR, sorry? Oh, a designated smoking room.

Ms. Glassman: —like the health facilities. So right now, the basic premise of the act is different in that there's a general prohibition in section 9, which I read out before.

The Chair: Further debate? Hearing none, all in favour? Opposed? Carried.

Shall section 12, as amended, carry? Carried.

Shall section 13 carry? Carried.

Page 33, government motion, Mr. Fonseca.

Mr. Fonseca: I move that section 14 of the bill be amended by adding the following subsection:

“(0.1) Subsection 19(1) of the act is amended by adding the following clause:

“(a.1) for the purposes of the definition of “enclosed public place” in subsection 1(1),

“(i) defining “inside,”

“(ii) prescribing places to be enclosed public places.”

The Chair: Any debate? Hearing none, all in favour? Opposed? Carried.

Government motion 34, Mr. Fonseca.

1640

Mr. Fonseca: I move that section 14 of the bill be amended by adding the following subsection:

“(0.2) Subsection 19(1) of the act is amended by adding the following clause:

“(a.2) for the purposes of the definition of “enclosed workplace” in subsection 1(1),

“(i) defining “inside,”

“(ii) prescribing places to be enclosed workplaces.”

The Chair: Any debate? Hearing none, all in favour? Opposed? Carried.

Government motion 35.

Mr. Fonseca: I move that section 14 of the bill be amended by adding the following subsection:

“(0.3) Subsection 19(1) of the act is amended by adding the following clause:

“(a.3) exempting tobacconists from any or all of the requirements and prohibitions in section 3.1, defining tobacconists for the purposes of such an exemption, and making the exemption subject to one or more conditions provided for in the regulations.”

The Chair: Any debate?

Ms. Martel: I'd like to ask a question on this section. It goes back to the final presentation that we received in Tillsonburg, where the presenters made it clear that they had gone into a tobacconist shop and they were busy selling not only tobacco but cigarettes, pop, chips, chocolate bars—the whole nine yards. I see that this provision also includes “defining tobacconists for the purposes of such an exemption.” I wonder if the ministry can just give me some idea of how you are going to define who is a tobacconist and how you are going to prove that, given that this shop was very clearly outlined as this and it was selling a wide range of other products in the process.

Ms. Glassman: There are a couple of options that are being looked at right now. One of them is the amount of

floor space that's dedicated to the sale of the tobacconist's products. We visited a couple of shops and the walls are lined with humidors that are locked, but filled with cigars. So part of it is whether it's going to be 75% of the floor space dedicated to the sale of those products.

They're also looking at whether there should be an age restriction in terms of being able to enter the premises.

Ms. Martel: Would one of those options include—because I'm pretty sure they told us that they were selling cigarettes as well. It was not my understanding from a presentation we had, I think the first or second day from a group in Toronto, that they were selling anything but tobacco; so not cigarettes. Would that also be a requirement? Have you thought that far?

Ms. Glassman: I don't think that they've considered that far. One of the shops that I went to, he did have some cigarettes for sale, but the main purpose of his business was selling cigars and pipes and other tobacco products.

Ms. Martel: I support what you're doing here, and I would only say that that might be something else you want to take into account, because what you wouldn't want to see—and you would be cognizant of this—is a backdoor mechanism to display cigarettes on a countertop in a tobacconist shop, which you don't want to have happening, but if they are exempt, it clearly might.

Ms. Glassman: At this point, the drafting is—we're going to look at whether they would be exempt from all the sections of 3.1 or just some of the sections. So it might be that they still have to comply with countertop. It's not clear what they're going to do.

Ms. Martel: OK, so you're going to do that piece by regulation, in terms of what, if any, restrictions there might be, and that could be included. I would obviously urge that.

The Chair: Mr. Fonseca?

Mr. Fonseca: Nothing on this.

The Chair: I thought I saw your hand.

Mr. Barrett?

Mr. Barrett: It's unclear if the regulation would allow, say, the countertop humidor or not. That's still unclear, is it? Humidor or display—it's still unclear which way that would go?

Ms. Glassman: Yes. We haven't drafted the regulations yet for this specific section. I just wanted to outline some of the considerations that were being given. We've had discussions about what the appropriate way to define a tobacconist would be, so I'm confident in being able to discuss those provisions. In terms of specifically looking at 3.1 and what's going to apply and not apply, I wouldn't feel confident to give you a response. We haven't gone that far.

Mr. Barrett: But with the regulations, say they did qualify using the floor space formula, or very clearly there's nothing in there but, say, cigars. It would still be unclear whether they would be allowed a humidor on the countertop or under a glass counter or what have you, or on display. That's still unclear?

Ms. Glassman: Yes. At this point, what the motion does is it gives the ability to exempt from any or all of

the requirements of 3.1, but it's not specifying that they're necessarily exempt completely from the entire section.

Mr. Barrett: It would also apply, then, to whether they would be allowed to have boxes of cigars on shelves along the wall. They may have to have bare walls like a convenience store. So that's undetermined as yet?

Ms. Glassman: Right now, under the federal Tobacco Act, a purchaser can't handle tobacco product anyway, and that includes cigars. The tobacconists have not been exempt from the federal Tobacco Act. So, for instance, there wouldn't necessarily be a reason to exempt them from the handling provision that we have in clause (b). They're already complying with it federally.

Mr. Barrett: I wasn't referring to the handling, but the display, like a back wall display, in a cigar store. It's still unclear whether they may have to have bare walls, like a convenience store.

Ms. Glassman: I think it's fair to say that the reason the exemption is there is that the government recognizes that their walls are filled with displays of tobacco and it would be a hardship for those specific merchants to have a prohibition in place whereby they can't display what they're selling.

Mr. Barrett: The third area, and I can't remember if that's covered in 3.1: With some cigar stores, there's the option—if someone's going to drop \$1,000 on a carton of cigars, they like to light one up, to test-drive them, I suppose. Is that going to be an either/or option, or is that a done deal? Do those facilities have to be removed, or is there an option under the regulation for some of these cigar stores to allow people to light up a cigar in the back room, or for people who come in to sit around the table and have a cigar?

Ms. Glassman: I understand the question. There's no motion being put forward to amend section 9 of the bill, which is the general prohibition, to allow an exemption for tobacconists.

Mr. Barrett: So those are definitely gone, then, if this bill passes?

Ms. Glassman: Yes.

The Chair: Further debate? Hearing none, all in favour? Opposed? Carried.

Mr. Fonseca: I ask to move a motion that wasn't in the original package, Mr. Chair: 35.1.

The Chair: OK? Yes.

Mr. Fonseca: I move that section 14 of the bill be amended by adding the following subsection:

“(0.4) Subsection 19(1) of the act is amended by adding the following clause:

“(a.4) exempting retailers who sell tobacco at a duty free shop as defined in subsection 2(1) of the Customs Act (Canada) from any or all of the requirements and prohibitions in section 3.1, and making the exemption subject to one or more conditions provided for in the regulations.”

The Chair: Further debate? Hearing none, all in favour? Opposed? Carried.

Mr. Fonseca: Mr. Chair, I move another motion that wasn't in the original package: 35b.

I move that section 14 of the bill be amended by adding the following subsection:

“(0.4) Subsection 19(1) of the act is amended by adding the following clause:

“(a.5) exempting manufacturers and wholesalers of tobacco products from any or all of the requirements and prohibitions in section 3.1, defining manufacturers and wholesalers of tobacco products for the purposes of such an exemption, and making the exemption subject to one or more conditions provided for in the regulations.”

1650

The Chair: Further debate? Hearing none, all in favour? Opposed? Carried.

Government motion 36.

Mr. Fonseca: I move that section 14 of the bill be amended by adding the following subsection:

“(1.1) Subsection 19(1) of the Act is amended by adding the following clause:

“(h.1) defining “supportive housing residence” for the purposes of subparagraph 1 v of subsection 9(7).”

The Chair: Further debate? Hearing none, all in favour? Opposed? Carried.

Government motion 37.

Mr. Fonseca: I move that section 14 of the bill be amended by adding the following subsection:

“(1.2) Subsection 19(1) of the act is amended by adding the following clause:

“(h.2) designating psychiatric facilities for the purposes of subsection 9(7.1) and paragraph 3 of subsection 13(4).”

The Chair: Further debate? All in favour? Opposed? Carried.

Government motion 38.

Mr. Fonseca: I move that section 14 of the bill be amended by adding the following subsection:

“(1.3) Subsection 19(1) of the act is amended by adding the following clause:

“(h.3) designating facilities for veterans for the purposes of subsection 9(7.2).”

The Chair: Further debate?

Mr. Barrett: I have a question. “Designating facilities for veterans”: What facilities are those?

Mr. Fonseca: The facilities that we previously spoke about, which were Sunnybrook and London, the veterans' hospitals.

Ms. Glassman: It's Parkwood hospital in London.

Mr. Fonseca: Parkwood hospital is the one in London.

The Chair: Further debate? Hearing none, all in favour? Opposed? Carried.

Shall section 14, as amended, carry? Carried.

Shall section 15, as amended, carry? Carried.

Shall section 16, as amended, carry? Carried.

Shall section 17, as amended, carry? Carried.

Government motion 39.

Mr. Fonseca: I move that section 18 of the bill be struck out and the following substituted:

“Commencement

“18.(1) This section and section 19 come into force on the day this act receives royal assent.

“Same

“(2) Sections 1 to 4, subsection 5(1) and sections 5.1 to 17 come into force on May 31, 2006.

“Same

“(3) Subsection 5(2) comes into force on May 31, 2008.”

The Chair: Further debate?

Ms. Martel: It would probably be no surprise to anyone that I continue to be opposed to this subsection (3), which will come into force on May 31, 2008. This has to do with our earlier discussion around what kind of advertising is going on and what will still be allowed between 2006 and 2008.

I just have to add one thing, if I might. I'll be brief. I noted that the Ontario Convenience Store Association was here yesterday, asking government to reconsider the situation. They said, and I'm quoting from Dave Bryans, “We have no problem with taking down any of the lights or colours.” I guess that's probably the case because the lights and the colours are probably the least of my concerns with respect to tobacco advertising in retail stores. If you look at the possibility, it's clear that there is no restriction on the number of individual cigarette packages that are going to be allowed. Having a display behind a counter that has 100 different packages of cigarettes or 250 or 70 or 90, really does leave young people with the idea that it's very normal to smoke, that everybody does it, that a big portion of the population does and they should get hooked too.

From my perspective, the idea that row upon row upon row of individual cigarette packages are still going to be left up on a wall behind a counter in full view of young people coming into a store—people who are trying to quit, people who have quit but might succumb to impulse buying—is probably the worse thing. The lights and the colours are not half as alluring as all of those packages of cigarettes, and they work to really send a very regrettable message to young people that this is normal, this is a part of everyday Ontario life, instead of really promoting the message that says that fewer and fewer people are smoking, and we should be pushing that agenda.

So I just want to say again, I regret that the government would not have a similar timeline—that is, of May 31, 2006—for the banning of all tobacco advertising in retail stores, because I think that's just going to promote thousands and thousands of young people getting hooked, which, from my perspective, just runs contrary to what I thought the goal of the bill was. It's going to undermine what I thought the goal was, which was to get this out of sight, out of mind, especially for young people, who are the most likely to get hooked and the most likely to smoke for a long, long time and the most likely to be some of those statistics with respect to cancer that I thought we were trying to avoid.

I just have to vote against this section because I don't think we should be delaying a portion of this to May 31, 2008.

The Chair: Further debate?

Mr. Barrett: Clarification on section 18, under “Commencement,” subsections 18(1) and (2), that phrase “come into force on May 31, 2006”: I don't know whether you explained this. Does that refer to designated smoking rooms, Mr. Parliamentary Assistant? When you put forward the motion, I know you explained it. Section 18, and then you go down to “Commencement” and then “Same (2) ... come into force on May 31, 2006.” You are referring to designated smoking rooms?

Mr. Fonseca: Correct. Designated smoking rooms would not be allowed as of May 31, 2006.

Mr. Barrett: OK. Then the next line, “Same (3) Subsection 5(2) comes into force on May 31, 2008,” would be referring to the back wall displays in convenience stores?

Mr. Fonseca: Yes. Any display would have to be out of sight.

Mr. Barrett: In 2008. But just to make it clear in my mind, that probably does not refer to, say, cigar stores that qualify as tobacconists. That would be my understanding—or no? Are we covered off OK on this one?

Ms. Glassman: Yes. There's the ability in regulation to exempt tobacconists from the provisions of section 3.1. So we've discussed already that we can either exempt them from all or some of the sections and—

Mr. Barrett: Yes. So everybody has until 2008, and then perhaps tobacconists will not have to clear the walls.

Ms. Glassman: Right.

The Chair: Further debate? Hearing none, all in favour?

Ms. Martel: Chair, could I have a recorded vote, please?

Ayes

Fonseca, Marsales, McNeely, Milloy, Wilkinson.

Nays

Barrett, Martel.

The Chair: The motion is carried.

PC motion, page 40.

Mr. Barrett: I move that subsection 18(2) of the bill be amended by striking out “2006” and substituting “2010.”

The rationale for this, assuming the way today's clause-by-clause was going to go, recognizing the fact that so many of the bars, pubs and nightclubs, many of the smaller places in Ontario—we've been told that they average profits of around 3.7%. That's before taxes. Some talk about an annual profit of about \$18,000 a year; that's about \$50 a day. Obviously, many of these operators—I don't know what percentage of them—are pretty well hanging on by their fingertips, and we would know the result of any decline in sales.

1700

We know that 700 facilities in Ontario made capital investments for the designated smoking rooms. We've heard figures of anywhere from \$10,000 up to \$300,000. Many indicated they could ill afford a capital expenditure of that magnitude, but at the time, and given the municipal bylaw that permitted them to do that, it seemed to be one option, perhaps the only option, available to them to better enable them to retain their smoking clientele. We understand that the vast majority of the designated smoking rooms in Ontario, about 90%, were built with due regard to a municipal bylaw that did not have an expiry date. This is what we were told. In testimony, one example was that they built it two years ago and spent \$300,000. If you or I were to buy a combine—we could spend up to \$300,000—we might be hard put to depreciate that over 10 years and get our money back.

I put forward that there is a request out there for more time. These people are in business. They've made capital investments. We don't have a mechanism here to talk about compensation; we found that out earlier. They need assistance to depreciate the original capital cost, and, for some of these facilities, there will also be an expense accrued to dismantle them. I say that on behalf of a number of people who have testified and written and phoned. That's my rationale for this motion.

The Chair: Further debate? Hearing none, all in favour?

Mr. Barrett: Recorded vote.

Ayes

Barrett.

Nays

Fonseca, Marsales, Martel, McNeely, Milloy, Wilkinson.

The Chair: The motion is lost.

Shall section 18, as amended, carry? Carried.

Shall section 19 carry? Carried.

Does the committee wish to revert back to the deferred motions on section 8? Page 28.

Ms. Martel: Chair, if I might, we're still getting a photocopy, so perhaps while that happens, we can deal with a different motion that has now been circulated, while we wait for the photocopy.

The Chair: Agreed? Agreed. Mr. Milloy?

Mr. John Milloy (Kitchener Centre): I'm wondering if I can ask for unanimous consent to deal with a motion regarding section 5. It's a housekeeping motion we want to put forward.

The Chair: Mr. Milloy is seeking unanimous consent. Agreed? Agreed.

Mr. Milloy: I move that the French version of subsections 3.1(3) and (4) of the Smoke-Free Ontario Act, as set out in section 5 of the bill, as set out in the motion made by Mr. McNeely, be amended by striking out the

word "publicitaire" wherever it appears and substituting the word "promotionnel."

The Chair: Further debate? Hearing none, all in favour? Carried.

Shall section 5, as amended, carry? Carried.

Ms. Martel:

Ms. Martel: I would like to withdraw the two motions that we had deferred. Do I need to read those into the record again? OK. They are NDP motions 28 and 29. I would like to withdraw those and replace both with the following new motion.

I move that subsections 9.1(3) and (4) of the Smoke-Free Ontario Act, as set out in section 8 of the bill, be struck out and the following substituted:

"Restriction

"(3) A home health care worker who has exercised his or her right to leave shall comply with any procedures set out in the regulations.

"Regulations

"(4) The Lieutenant Governor in Council may make regulations setting out procedures that must be followed if a home health care worker has exercised his or her right to leave."

This is a compromise. Of course, I would prefer that there be no regulations, but as I understand it from the legal staff, the purpose of any regulation that might be drafted would essentially be to set out the guidelines that would give some protection to that worker in terms of the exercise of that right. They can leave but should afterwards be following up with a reporting mechanism that outlined the circumstances that prompted their right to refuse. That should be seen as providing or affording them protection in the event that the client wants to take action or if something indeed happens to the client after that home health care worker has left. I have been assured that this would be a protection to the home health care worker after they have left, to have clearly recorded the circumstances under which they felt they were compelled to leave, when it happened, how it happened etc.

The Chair: Further debate?

Mr. Wilkinson: I would just like to once again commend the member for Nickel Belt for working on this in a collegial fashion to try to improve this bill.

The Chair: Further debate? Hearing none, all in favour? Opposed? The motion is carried.

Shall section 8, as amended, carry? Carried.

Shall the title of the bill carry? Carried.

Shall Bill 164, as amended, carry? Carried.

Shall I report the bill, as amended, to the House? Carried.

SUBCOMMITTEE REPORT

The Chair: Would someone be interested in moving the subcommittee report with regard to tomorrow's business?

Mr. Wilkinson: I would move the subcommittee report.

The Chair: We need it read into the record.

Mr. Wilkinson: Your subcommittee met on Wednesday, May 4, 2005, to consider the method of proceeding on Bill 186, An Act respecting the composition of the council of The Regional Municipality of Peel, and recommends the following:

(1) That the committee hold public hearings in Brampton on Friday, May 6, 2005, from 9 a.m. to 11:30 a.m.

(2) That the committee hold public hearings in Mississauga on Friday, May 6, 2005, from 1 p.m. to 3:30 p.m.

(3) That the chair of the region of Peel and the mayors of Brampton, Caledon and Mississauga be invited to appear before the committee for up to 20 minutes each.

(4) That the length of presentations for other witnesses be 10 minutes.

(5) That the committee clerk, with the authorization of the Chair, post information regarding Bill 186 on the Ontario parliamentary channel, the committee's Web site and on Canada NewsWire if possible.

(6) That interested people who wish to be considered to make an oral presentation in Brampton or Mississauga contact the committee clerk by 12 noon on Thursday, May 5, 2005.

(7) That the committee clerk distribute to each of the three parties a list of all the potential witnesses who have requested to appear before the committee by 12:30 p.m. on Thursday, May 5, 2005.

(8) That, if necessary, the members of the subcommittee prioritize the list of requests to appear and return it to the committee clerk by 1:30 p.m. on Thursday, May 5, 2005.

(9) That a subcommittee member's failure to return a prioritized list by 1:30 p.m. Thursday, May 5, 2005, would indicate the member's intention to keep the list in its original priority.

(10) That if all requests to appear can be scheduled in any location, the committee clerk can proceed to schedule all witnesses and no prioritized list would be required for that location.

(11) That the committee clerk, with the authorization of the Chair, be allowed to schedule witnesses who have made their request to appear after the deadline, provided there is space available in that location.

(12) That the deadline for written submissions be Monday, May 9, 2005, at 12 noon.

(13) That the research officer provide a summary of the presentations by Tuesday, May 10, 2005.

(14) That proposed amendments to Bill 186 should be filed with the committee clerk by 5 p.m. on Tuesday, May 17, 2005.

(15) That the committee meet for the purpose of clause-by-clause consideration of Bill 186 on Thursday, May 19, 2005.

(16) That the committee clerk, in consultation with the Chair, be authorized, prior to the adoption of the report of the subcommittee, to commence making any preliminary arrangements necessary to facilitate the committee's proceedings.

The Chair: Any debate? All in favour? Opposed? Carried.

The meeting is adjourned.

The committee adjourned at 1711.

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Mr. Lou Rinaldi (Northumberland L)

Also taking part / Autres participants et participantes

Mr. John Garcia, director, chronic disease prevention and health promotion branch,

Ms. Donna Glassman, legal counsel,

Ministry of Health and Long-Term Care

Mr. Michael Perley, director, Ontario Campaign for Action on Tobacco

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Vendredi 6 mai 2005

Standing committee on finance and economic affairs

Regional Municipality
of Peel Act, 2005

Comité permanent des finances et des affaires économiques

Loi de 2005 sur la municipalité
régionale de Peel

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Friday 6 May 2005

Vendredi 6 mai 2005

The committee met at 0907 in the Holiday Inn Select, Brampton.

REGIONAL MUNICIPALITY
OF PEEL ACT, 2005LOI DE 2005 SUR LA MUNICIPALITÉ
RÉGIONALE DE PEEL

Consideration of Bill 186, An Act respecting the composition of the council of The Regional Municipality of Peel / Projet de loi 186, Loi traitant de la composition du conseil de la municipalité régionale de Peel.

The Chair (Mr. Pat Hoy): The standing committee on finance and economic affairs will please come to order.

Mr. Tim Hudak (Erie—Lincoln): On a point of order, Mr. Chair: I do want to note the official opposition's disappointment with the lack of notice around these hearings. Considering the next municipal election won't be until November 2006, I do want to note that at the outset of these hearings.

Also I want to ask—I see that Mrs. Jeffrey, the member for Brampton Centre, is here—is she a substitute on the committee today?

The Chair: That's not a point of order, and she is not.

Mr. Hudak: On this question, Chair—

The Chair: What question?

Mr. Hudak: Well, I'd like to make some points at the outset.

The Chair: What's your point of order?

Mr. Hudak: Chair, you have recognized me, so my question has to do with the fact that we have three Brampton members. We are here in Brampton this morning on probably the most consequential bill to impact Brampton in a long, long time. I want to note that not a single member from Brampton is sitting on the committee this morning.

Mr. Brad Duguid (Scarborough Centre): On a point of order, Mr. Chair: The composition of the committee today during this particular hearing is the business of the government. The opposition does not have a say at all, as we do not have a say in who subs and who does not sub on their side of the table. It's not a case of anything other than the fact that it's a Friday and availability of members was a difficult thing to come by for this particular hearing. The clause-by-clause is when the decisions will be made, and we expect the full committee will be, in all

likelihood, in place for clause-by-clause. So Mr. Chair, I would suggest that what the member is raising is not a point of order and we should move on with the committee.

The Chair: Thank you. I remind the committee that we do have people waiting to present this morning.

Mr. Hudak: Exactly, Chair. I don't mean to belabour this point, but I think it's an important principle to bring forward. Dalton McGuinty campaigned on direct democracy, encouraging members to take a more direct role, particularly on issues that affect their ridings. I do want to note for the record that there are three Brampton MPPs—we are in the city of Brampton as we speak—who are not sitting at the table.

Mr. Duguid: On a point of order, again, Mr. Chair: The member is speaking about things that clearly are not within the realm of a point of order. I'd ask that you call him to order, and perhaps we can get on with the hearings.

Mr. Hudak: Chair, I'm not going to give up on this point. If Mr. Duguid keeps interrupting me, we're going to spend more time.

The Chair: You can't make a point about a person who is not here.

Mr. Hudak: I want to know, if this were truly about listening to the people of Brampton and Peel, that every effort would have been made to have members from Brampton sitting on this committee, to have voting rights on this committee and to interact with the citizens. I know Mrs. Jeffrey is here in the audience. I think it's a farce that Mr. Kular and Mr. Dhillon are not sitting on this committee today. It shows a lack of interest in what the people of Brampton have to say, on top of the lack of notice. I smell the strong arm of the whip here in keeping the Brampton members off this committee. I do want to note that there are two Mississauga members—

The Chair: Mr. Hudak, it might be a point of interest, but it is not a point of order.

Mr. Hudak: Chair, I'd like to enter into the debate. You've opened the hearing; I'd like to have a word. I do want to note that there are three Mississauga members who have been subbed into the committee. I think that is far more than simply a coincidence, that of all the members you could have substituted in, three of them are from Mississauga, which shows to me clearly that Dalton McGuinty is interested in nothing other than whipping this vote and ramming this bill through. I think that if the

members are truly interested in hearing from Brampton, they will substitute in Mrs. Jeffrey, the member for Brampton Centre, who's in the audience. I would move that Mrs. Jeffrey be subbed in today for Mr. Peterson.

Mr. Duguid: On a point of order, Mr. Chair: I don't believe that it's in order for any party to move a motion to impact the subs or lack of subs on the other side. I'd suggest that motion's not in order.

Mr. Hudak: Chair, I'll just ask, as a favour of the parliamentary assistant, who'll be the lead for the government on this bill—he could still participate in debate and bring the government's viewpoint forward—if he would voluntarily step aside and allow Mrs. Jeffrey to take his seat on the committee and substitute in.

Mr. Duguid: Mr. Chair, I would ask, as a favour to the people who are here to depute, that we get on with the hearings.

Mr. Hudak: I'm interested in getting on with the hearings.

Mr. Duguid: It sounds to me, Mr. Chair, like the member is interested in trying to make some political points at the expense of the people who are here to hear from us. We have a limited amount of time for this hearing, and I would suggest we get on with it.

Mr. Hudak: It's a simple yes-or-no question, Chair, to the parliamentary assistant. Either he believes that the members from Brampton should have as equal a say on this committee as the members from Mississauga or not. He can step aside and allow Mrs. Jeffrey, the one who did have the courage to show up today, to substitute into the committee for Mr. Duguid. Otherwise, I have no other viewpoint than that this hearing will be a farce—subbing in three members from Mississauga, and three members from Brampton are nowhere to be seen at the table of this committee. This is the action of the whip and the Premier. I ask the parliamentary assistant to step aside and allow the member for Brampton Centre to take his place. Our member from the Peel area, Mr. Tory, has changed his schedule—he represents the Caledon area—to be here to substitute on the committee. Why won't you let the Brampton members sit at the committee and listen to what Brampton citizens have to say?

The Chair: Mr. Hudak, the motion to substitute persons on to the committee is out of order.

Mr. Hudak: Fair enough, Chair, but I'm asking Mr. Duguid to make a gesture in support of direct democracy, which he says his party believes in, and to do the right thing and step aside and allow Mrs. Jeffrey, who is here, sitting in the audience, rather than having a chair at this committee—if he would step aside and substitute Mrs. Jeffrey in for him.

The Chair: I've ruled the motion out of order.

Mr. Hudak: Chair, it's not a motion; I'm simply asking if the parliamentary assistant—

The Chair: He does not have to respond to you.

Mr. Hudak: Well, I think he should at least give the opinion of responding—

Mr. Duguid: Just on a point of order, Mr. Chair: As I said before, there are no decisions being made at this

committee. This is simply a hearing. The committee will meet again, as we've indicated, I believe on the 19th, when we'll go through clause-by-clause. That's when the decisions will be made in terms of how this bill will be recommended to the Legislature. If the member is concerned about the makeup of the committee, that's when I would suggest that he should make those particular points.

Mr. Hudak: With all due respect to Mr. Duguid, we are here in Brampton. The citizens of Brampton, the municipal leaders, business leaders, taxpayers in Brampton are obviously greatly concerned about this bill, the speed with which it's being rammed through the Legislature and the lack of real consultations. I think the people of Brampton, who I know have been pleased to see Mrs. Jeffrey vote against this bill, would like to see her, Mr. Kular and Mr. Dhillon sitting at the table and listening directly and having a say on this bill here today.

Mr. Duguid: With all due respect to Mr. Hudak, we're not here to hear him speak; we're here to hear the people of Brampton and the deputies speak. As I said before, I'd like to get on with the deputations. Otherwise, we're not going to have time to hear everybody speak here today.

Mr. John Tory (Leader of the Opposition): On a point of order, Mr. Chair: Mr. Duguid has now made reference three or four times to the lack of time we have here today, and that people are waiting. I acknowledge the fact that they are waiting, but I think they would probably like to have more time in which to make their deputations and to have more of them heard.

I'd like to move, given the importance of this bill to these communities and the indecent speed at which the McGuinty government is ramming it through the Legislature, without sufficient time to hear people and to have consultation, that this committee should resolve itself to meet for one full day in each of Brampton, Caledon and Mississauga for the purposes of considering the effects of Bill 186 on these communities. There's no reason whatsoever why this needs to be rushed through, when it's going to take effect in 2006.

The Chair: Debate on the motion?

Mr. Michael Prue (Beaches–East York): I'll try to speed things up here. It is my understanding, Mr. Chair, and you can affirm this, that any member of the House is entitled to sit around this table. I would invite Mrs. Jeffrey to come and sit right here beside me. She doesn't even have to sit on the government side. I would invite her, and I will yield some of my questioning to her, if she wishes to question. Is that not permissible?

The Chair: It is quite correct that a member can sit at the table, but would not be able to vote on motions.

Mr. Prue: But that is correct? If she wants to come and sit beside me, I will allow her some of my questioning time, in order that she might do so and reflect the opinion of Brampton.

The Chair: That could take place, if so wished.

Mr. Hudak: To Mr. Prue's point, I'm pleased to see that. We'd welcome Mrs. Jeffrey to join us on this side of

the table and to participate in the hearings. At the same time, I would, again, reiterate my point that Mr. Duguid should step aside and substitute Mrs. Jeffrey in so that she can—

The Chair: We have a motion on the floor to extend the hearings.

Mr. Hudak: Chair, if I could finish my point, please.

The Chair: To Mr. Tory, your leader's, motion.

Mr. Hudak: Certainly. I think that Mr. Tory made an excellent motion. The unseemly speed with which the government is trying to ram this bill through, the fact that people in the community had barely a few hours to register their interest and come before the committee and the fact that I think we should be in each of the three communities as well—certainly, with respect to Mrs. Jeffrey, to invite her to the table, but if you invite her to the table without voting rights, it's like having her over for dinner and not being able to have any food. I also believe that while it's great to have Mrs. Jeffrey at the table, she should also have full voting rights. Like the Mississauga members have taken full voting rights, allow the Brampton members as well to vote on every aspect of this bill.

Mr. Duguid: Mr. Chair, it's amazing how the member has suddenly changed his views. When he was in government on a bill like this, they would never have held public hearings at all. It probably would have been passed by now. So it's quite a contrast to the days when he was in government. We're here at the request of many individuals who indicated they wanted hearings. We're here to hear them speak. My preference would be to get on with the hearings so that we can do what we're here to do, rather than engage in theatrics.

0920

The Chair: Further debate? Hearing none, all in favour? Opposed? The motion is lost.

Mr. Hudak: On a point of order, Mr. Chair: I do have now some substitution slips that have been given to me which would allow Mr. Duguid to step aside and allow Mrs. Jeffrey to take his place on the committee. I don't mean to belabour this point. I think Mr. Duguid probably knows that as of 9:30, no more substitutions can be allowed under the rules. I'm aware that they're trying to delay so that that substitution cannot take place. I would ask Mr. Duguid or any member of the committee if they'd be so kind as to step aside and allow Mrs. Jeffrey, at least one Brampton member who had the courage to be here today, to substitute into the committee before the 9:30 deadline.

Mr. Duguid: Mr. Chair, I can understand why the member might not want me on this committee, but I will be here today, and I'm looking forward to hearing from the deputants. I'd like to get on with the hearings.

Mr. Hudak: Chair, if Mr. Duguid won't step aside for Mrs. Jeffrey, I would ask each of the individual members—Mr. Peterson, Mr. Fonseca, Mr. Delaney, Mr. Berardinetti—if they would be so kind as to step aside and allow Mrs. Jeffrey, the member for Brampton Centre, to have full rights to participate in this hearing, as the

three members from Mississauga have been given full rights. If the government really wants to hear from all municipalities, we should have a Brampton member, at the very least, if not all three, sitting at the table here today.

Mr. Peterson? Mr. Fonseca? Mr. Delaney? Mr. Berardinetti—you're a Scarborough fellow.

Mr. Lorenzo Berardinetti (Scarborough Southwest): On a point of order, Mr. Chair: I would move, then, that Mr. Hudak or Mr. Tory or Mr. Prue be substituted for Mrs. Jeffrey.

The Chair: No. You can't substitute a member from another party.

Mr. Hudak: It's a little too cute by half, I'd say to my colleague Mr. Berardinetti.

The members of the committee—I think, as everybody knows, the only member permanently on this committee is Mr. Hoy, who is the chairman. There have been five members from the Liberal Party substituted into this committee. The other five are not here.

Mr. Prue: I'm a permanent member.

Mr. Hudak: Sorry, Mr. Prue from the NDP. I apologize.

So you've had five substitution slips that have been filled out to take off the regular members of the committee and put five here. I will note for the record that there are three members from Mississauga. I think there should be members from Mississauga here, because this bill impacts on Mississauga considerably. I would ask the same thing, that members for Brampton be allowed to sit on the committee. I see Dr. Kular has arrived. That's excellent. I'm glad that he's here and sitting at the table. I believe that Dr. Kular and Mrs. Jeffrey should have the same voting rights as do Mr. Peterson, Mr. Fonseca and Mr. Delaney. Therefore, I would request that Mr. Duguid and Mr. Berardinetti, who do not belong to any of the three communities, step aside to allow Dr. Kular and Mrs. Jeffrey, Brampton members, to participate just as Mississauga members are participating today.

Mr. Duguid: Mr. Chairman, we know Mr. Hudak likes to hear himself speak, but we're not here to hear him speak. We're here to hear the people who have come here to make deputations. As I've said before, I really would appreciate Mr. Hudak allowing those deputations to take place.

Mr. Hudak: Chair, I don't mean to belabour the point. I think the member knows we have until 9:30, and then the point is moot under the rules. I suspect the Liberals are trying to delay this so the 9:30 deadline will pass and avoid my question.

I will ask Dr. Kular, who has joined us here today, if he would like to substitute into this committee as a Brampton member so that he can vote on all of these motions that come forward today.

The Chair: Members are not compelled to answer your question.

Mr. Hudak: It's just a simple question to Dr. Kular, if you would like to fully participate in this committee by being substituted in for Mr. Duguid or Mr. Berardinetti.

If Dr. Kular chooses not to answer me, it's fine, but I think he should in front of Brampton residents and taxpayers. I would expect that he and Mrs. Jeffrey would like to substitute into the committee.

The Chair: Further debate?

Mr. Kuldip Kular (Bramalea-Gore-Malton-Springdale): Chair, I might not be able to completely substitute for the whole day, so that's why I'm not answering that question. I have some previous engagements that I couldn't cancel. So I am only here for some time.

Mr. Hudak: Chair, again, we're about at the deadline. I'll just make my point one last time and say that there are two members now of Brampton who have joined us: Mrs. Jeffrey and Dr. Kular. They're here to listen, as we are, to the people of Brampton and Caledon and Mississauga who want to make presentations. The government whip has substituted in three Mississauga members, who I know are all supportive of Bill 186. I do believe, if the Liberals did care about what people are going to say today and believe in direct democracy, that they would substitute in the two Brampton members who are here today.

My last request to the members of the committee is to step aside, use these substitution slips, and allow Dr. Kular and Mrs. Jeffrey to fully participate in this committee. Otherwise, I have no choice but to believe that it will be a farce of hearings because you've whipped the vote with Mississauga members, and no Brampton members with a single vote here today.

Mr. Duguid: Mr. Chairman, Mr. Hudak has been around here a long time. He knows full well that the whip's signature needs to be on any substitutions that would come in. The whip's not here right now. So he knows that it's technically impossible to do what he's suggesting to do.

Anyway, he's just trying to make a mockery of this. He's just trying to engage in theatrics. Frankly, he's fine to do that, but he's doing it at the expense of those who came here to speak to us. This government wants to hear from the people who are here today. We're tired of the theatrics from Mr. Hudak. Can we please get on with the hearings, sir?

Mr. Hudak: Chair, I need to respond to Mr. Duguid. He talked about making a mockery of hearings. My God, this is a mockery of a hearing, because you gave people only hours. There's no bill that has impacted on Peel more than Bill 186, and you gave people next to no notice to be here today. You have one day of hearings, and you're trying to ram this bill through that doesn't have to be in action for an election until November 2006.

I think the member full well knows the whip does have to be on it. He signed your papers, the three members from Mississauga's papers, and Mr. Berardinetti's papers. He did not sign Dr. Kular's papers or Mrs. Jeffrey's papers, even though the whip knew they were going to be here.

It's highly regrettable, and I just think this shows that the government is not interested in what people have to say here today. That's very, very sad to hear. If they truly

were, we would have Brampton members sitting on this committee here today, rather than a committee weighted by the whip to ram this bill through.

The Chair: I believe, Mr. Hudak, you've made your point. We really should move on and hear from the deputations this morning. I think we will do that now.

CITY OF BRAMPTON

The Chair: I call on the city of Brampton to come forward, please. While we wait for these persons to take their seats, I would remind people to turn off their cell phones if they have them. Our broadcast has said that it will create feedback. Thank you very much.

Good morning. You have 20 minutes for your presentation, and you may leave time within those 20 minutes, if you so choose, for questioning. I would ask you to identify yourself for the purposes of our recording Hansard.

Ms. Susan Fennell: Thank you, Pat, and welcome to the city of Brampton. Before the clock starts ticking—I am a hockey person; so we haven't dropped the puck yet—I'm the first speaker, so I'm going to seek some clarification on behalf of all these people here. I was scheduled to speak at 9; it is 9:20. So I guess we're being flexible. I appreciate the comments that were made, because it saves me including them in my remarks, which they would have been. So I'm just going to ask the House rules here, and I think that's fair and it's not part of my presentation.

The Chair: It would provide the broadcast a better result if you would sit, please.

Ms. Fennell: Is that more helpful? In our council, we stand respectfully, but if it's more comfortable for you to look at people eye to eye, I'm fine to do that too.

Before the clock starts—and I will watch my carefully allocated 20 minutes to make sure that I do get the full benefit of 20 minutes. I did have 32 hours with the facilitator.

The Chair: I would remind you that your time has started.

Ms. Fennell: I'm asking that it not be started until I at least know who's at this table and what the rules of the game are. This is the first time I've had to deal with the provincial government in the form of a hearing like this. To save everybody taking a portion of their time, I think it's just respectful if I could know who is in the room and what the process is. Do I make a presentation and you ask questions of me? Can I ask questions of you?

The time has not started, with all respect, because we have 18 months. So let's just be reasonable here. This is Brampton. We do things in an open and honest way, and I don't appreciate somebody telling me my time has started just because I've walked forward. I'll stand back there and make my comments. When does the puck drop in this format?

The Chair: I will explain. By all-party agreement, you have 20 minutes for your presentation. You may leave time within those 20 minutes for questions from the panel if you so desire.

Ms. Fennell: This is not part of my 20 minutes. Let's just agree on that. So if I speak for 20 minutes, or other speakers who have 10 take the entire time, then there's no time for questions?

The Chair: That's correct.

Ms. Fennell: OK. Another ground rule. So am I able to ask questions?

The Chair: You might, but members are not compelled to answer.

Ms. Fennell: Oh. OK. So if I ask a question, then I should not necessarily expect an answer. I just want to make sure.

The Chair: Members, if there is time left at the end of 20 minutes, may answer you when they get their time slot.

0930

Ms. Fennell: Can I be introduced to who is at the table before—

The Chair: If you leave time for questions, we would begin with the official opposition. The time is divided three ways, so if there were three minutes left, the official opposition would have one minute, the NDP would have one minute and the government members would have one minute to question you or answer a question you put, as they might choose.

Mr. Tory: On a point of order, Mr. Chair: I would suggest, in view of the fact that you've been spending a good deal of the mayor's time explaining the rules, as per her request, that we have unanimous consent to start the clock over again when you're finished explaining the rules and Mayor Fennell is satisfied that she understands the rules.

Mr. Duguid: Mr. Chair, I understand that's what you are doing anyway.

The Chair: Do we have unanimous consent? Agreed.

So it is agreed, now that you have a full understanding of the rules, that we start the time now.

Ms. Fennell: I'm not finished checking the rules, but thank you for the motion that has, by implication, been unanimously voted on.

Let me ask again, who is at this table? I like to know to whom I'm speaking. If we could just have the members introduced, and their ridings, that would be helpful. I'm the first speaker or I wouldn't have had to ask. It seems sort of relevant.

The Chair: The names of members are present.

Ms. Fennell: Normally, when people come to my council—and I'm a political leader as well—I like to know who they are. We ask them for their names and the areas they represent. I'm interested in that. I want to know which ridings these people are from, which party they're from and perhaps even which mayor, because many mayors have contacted me opposing this legislation. I just want to make sure I know who is here. That's just an introduction.

The Chair: Members are not compelled to answer you.

Ms. Fennell: They can't be shy to say their names. Why don't we give them the chance?

The Chair: These are our rules.

Mr. Hudak: Chair, I'll start, and we'll move down this way. Hopefully the members will oblige.

My name is Tim Hudak. I'm the member from Erie–Lincoln riding, down in the Niagara Peninsula. I'm Conservative, and I'm the municipal affairs critic.

Ms. Fennell: Thank you. Welcome to Brampton, Tim. That's the simple sort of courtesy we were hoping to get to this morning.

Mr. Tory: My name is John Tory. I'm the MPP for Dufferin–Peel–Wellington–Grey and the leader of the official opposition in the Legislature.

Ms. Fennell: Welcome to Brampton this morning, John Tory.

Mr. Prue: My name is Michael Prue, member of provincial Parliament for Beaches–East York. That's in the new amalgamated city of Toronto. I was the last mayor of East York, and I understand your dilemma.

Ms. Fennell: Welcome to the city of Brampton this morning, Your Worship.

Mr. Kular: I'm Kuldip Kular, member for Bramalea–Gore–Malton–Springdale. I'm not a member of the committee. I'm just attending as a member of provincial Parliament.

Mr. Duguid: Brad Duguid.

Ms. Fennell: And you are the MPP for?

Mr. Duguid: Scarborough Centre.

Ms. Fennell: And your role is?

Mr. Duguid: I'm the parliamentary assistant for municipal affairs and housing.

Ms. Fennell: Good. You should be proud of that.

Mr. Duguid: I was born on July 9, 1962.

Ms. Fennell: I didn't ask for your vital information, but if you want to give it to me—

Mr. Duguid: It was a rainy day.

Ms. Fennell: You should be proud that you're a Liberal. You shouldn't want to hide that. You should be proud that you're a PA.

The Chair: I would ask members to move along. We are well behind in this meeting this morning. We're holding up other persons.

Ms. Fennell: Mr. Chair, with all respect, if you want a vote from the audience, they will say, "Please proceed." Everybody is looking to hear this information. We'll step back and let Mr. Hudak finish his debate. You could start this hearing in an hour or two. We'll work right through lunch here in Brampton. We're very serious about this issue.

Tim Peterson from?

Mr. Tim Peterson (Mississauga South): You know me. This is a breakthrough. Thank you. I'm from Mississauga South.

Ms. Fennell: Good. See, Tim knows where he's from and he's proud of it.

Mr. Peter Fonseca (Mississauga East): Peter Fonseca, Mississauga East.

Ms. Fennell: Welcome to Brampton, Peter.

Mr. Bob Delaney (Mississauga West): Bob Delaney, Mississauga West.

Ms. Fennell: Thank you, Bob. Welcome.

Mr. Berardinetti: Good morning, Madam Mayor. I'm Lorenzo Berardinetti, from Scarborough Southwest, and I'm the deputy government whip—not the government whip but the deputy government whip. It's a pleasure to be here. I was on city council in Scarborough and Toronto for 15 years, so I understand your dilemma. I really want to hear what you have to say and I want to hear what the other deputants have to say as well. When the Tories were in power, they never had these kinds of hearings. They just rammed legislation through.

Mr. Tory: On a point of order, Chair: In light of the fact that we've taken this time, which I think was useful, and we've had a bit of a discussion about substitutions, could I move that, in light of the interest shown by the large number of people from Brampton and Caledon who are here, that the committee resolve itself now to sit through the lunch hour in order to make sure there is adequate time to hear the people who have taken their time to come here on a workday today. Can we take that time and resolve to do that now?

The Chair: We have a motion on the floor. Further debate? Hearing none, all in favour?

Mr. Hudak: Recorded vote.

Ayes

Hudak, Prue, Tory.

Nays

Berardinetti, Delaney, Duguid, Fonseca, Peterson.

The Chair: The motion is lost.

Mr. Tory: On a point of order, Mr. Chair: Mr. Kular looked like he was in favour of the motion.

The Chair: That's not a point of order.

Ms. Fennell: Just by way of explanation again, are we still on the introductory and explanation phase?

The Chair: No, we're not.

Ms. Fennell: Pardon me?

The Chair: We've had the introductions.

Ms. Fennell: I'm still asking questions on the process. We just had a process vote taken. Just so I'm clear, what time does this hearing conclude? You voted not to go beyond a certain time. There was a motion—

The Chair: It concludes at 11:30.

Ms. Fennell: It concludes at 11:30. I want to know—this is a process question; we haven't started yet—in the event that we don't get to the completion of your list of those who are here today and have taken the time, will you end the meeting without them having a chance to speak? Was that what that vote was to do?

The Chair: That vote was not in regard to the 11:30 time frame.

Ms. Fennell: I'm just trying to understand. The vote was to move past the lunch hour.

Mr. Duguid: On a point of order, Mr. Chair: My understanding is that the longer we go on with this, the

less likely it is that we will be able to hear from the deputants, because we do have a commitment for the second part of the hearing. If I recall, it's 1 o'clock in Mississauga, which means that we do need time to get from here to Mississauga. My hope would be to hear some substance about some of the issues that may be of concern to the residents in this room. Perhaps we could get on with that.

The Chair: You may begin.

Ms. Fennell: Thank you. Can we agree on what the time is so we're not going to get into a debate later? It's 9:30.

The Chair: It is 9:34 by my clock.

Ms. Fennell: Mr. Chairman, we're going to abide by your clock. That's what we're here to do.

Ladies and gentlemen, thank you for taking time to come to Brampton to listen to the views of this city, of my community, on the proposed restructuring legislation known as Bill 186.

I would like to begin by reading into the record a letter sent from my office to your Premier yesterday.

"The Honourable Dalton McGuinty

"Premier of Ontario

"Dear Premier,

"The purpose of this letter is to express, on behalf of all citizens of Brampton, my deepest disappointment with the public notification provided today by your government for standing committee hearings on Bill 186.

"My council was just advised hours ago, by your clerk's office for the standing committee on finance and economic affairs, that hearings for Bill 186 would be held tomorrow on Friday, May 6, 2006, 9:00 a.m. to 11:30 a.m. in Brampton and 1:00 p.m. to 3:30 p.m. in Mississauga. Further, we were advised that anyone wishing to appear before the committee would need to formally register with the legislative committee clerk by noon today." That was yesterday's letter.

"Providing less than 24 hours' notice of the hearings, and barely three hours' notice to register, demonstrates your government's total disregard for the 412,500 residents of Brampton. And, to give general notice, primarily, if not exclusively, by means of the Legislative Assembly Web site offends the principles of your government and is contrary to the following quote from your election platform."

Don't smirk at me, Bob Delaney. You're here; you take this seriously.

"The public should be given the opportunity to comment on any legislation of significance.... Public input is essential to good government. We will ensure that you have the opportunity to offer comment on all major bills."

That was section 5, page 7. It has a picture of the current Premier.

"The city of Brampton will participate in the Brampton hearing tomorrow morning in a manner that continues to put forward our strong case for properly balanced and fair representation in the regional municipality of Peel.

"Mr. Premier, from your document, 'The Ontario Liberal Plan for a More Democratic Ontario,' you were quoted as follows:

"For decades, we have watched our democratic institutions erode. And for the last eight years, we have seen these trends accelerate dramatically.... Public consultation on major legislation used to be automatic. Now it is the rare exception."

"The residents of Brampton and Ontario deserve and expect what you promised."

0940

I would like to demand an unbiased hearing. We have people on this hearing board who are vigorous advocates for Bill 186, its introduction and its passage, unamended. I don't know if we can just call for an adjournment and have a legitimate hearing and not one that is loaded with people who are already predisposed not to listen beyond 11:30 even. That doesn't give confidence to the residents behind me that their remarks will be listened to, if we can't even go a little bit into the lunch hour to ensure that every voice here today is heard who made that 24-hour notice period genuine and is ready to be heard. But I'm not going to ask you to do that, because I've witnessed a demonstration this morning of how seriously you are listening or want to listen to Brampton.

Let's begin the presentation, because the clock is ticking.

I want to ask the members to my left, what does Bill 186 do? Oh, they don't have to answer. I'm going to help explain so that we all know what Bill 186 does.

Mr. Duguid: On a point of order, Mr. Chair: Maybe you could advise that we're not entitled to answer at this point in time.

Ms. Fennell: You're into my time. Stop the clock, please.

Mr. Duguid: Just on a point of order, for the clarification of Her Worship, we're not entitled to answer at this point in time. When she has finished her deputation, if there is time left, certainly a response could be forthcoming. You could maybe explain that we can use that for comments or questions.

The Chair: That's not a point of order.

Mr. Prue: It's a rhetorical question, Brad.

The Chair: Order, please.

Ms. Fennell: Trust me, I understand the difference between a rhetorical question and a kangaroo court, and we're seeing it all here.

I want to ask a rhetorical question, what does Bill 186 do? Bill 186 preserves the town of Caledon's historical level of representation on Peel council, effectively an overrepresentation based on their current and future population. The current government, as with all governments before it, has acknowledged there are special circumstances which provide the town of Caledon with five members on Peel regional council. It makes this allowance notwithstanding the obvious fact that in doing so, Caledon is significantly overrepresented at Peel council table, and the city of Brampton agrees with this level of representation for the town of Caledon.

Bill 186 adds two seats for the city of Mississauga.

I just want to make sure we're listening. You haven't even noticed I've stopped talking. I'll continue because maybe some are listening. Over here we're listening.

Bill 186 adds two seats for the city of Mississauga. The city of Brampton also agrees with this increased level of representation for the city of Mississauga.

Finally, Bill 186 adds one seat on regional council for the city of Brampton—one seat to presumably account for Brampton's current population. Bill 186 also forces the city of Brampton to re-examine our current ward boundaries, something neither of the other two municipalities is required to do.

I should remind the committee that only three years ago, the last term of council, the city of Brampton realigned its wards to account for both our current and projected population, an exercise that reduced our council from 17 to 11 members: a 35% reduction in local representation, a right-sizing of our council to balance local representation and provide for continued balanced representation to our city's ultimate build-out.

Bill 186 will impose on the city of Brampton an intermediate unnecessary ward realignment in order to accommodate the additional one regional councillor this legislation prescribes. While doing so, Bill 186 at the same time denies Brampton any assurance that future representation at regional council will be proportionate with the increase in its share of the region's population.

Mr. Chairman—and thank you for listening—it is because of these practical, real-world impacts on our community that the citizens of Brampton are so concerned with what Bill 186 represents. It is because of the inequities this legislation imposes on the city of Brampton that our community has come together over the introduction of Bill 186 on April 13, 2005, just weeks ago.

The taxpayers of Brampton have jammed our council chambers in opposition to this restructuring legislation. They have boarded buses in the middle of the week to come to the Legislature and show their collective displeasure with the government's introduction of Bill 186. They know that Bill 186 is legislation that restructures their council. This is not purely a regional issue. Brampton taxpayers understand their governance is being changed, and they believe it is being changed to accommodate someone else's political agenda.

The citizens of Brampton have been through a restructuring, as I've mentioned. They have been consulted and they have had input and offered their time and expertise to create a local governance structure in Brampton that works, and now they see this provincial government undoing their efforts. The taxpayers of Brampton want to ask questions. The taxpayers of Brampton want to participate in a restructuring process. They want to ask questions only the Premier or the Minister of Municipal Affairs and Housing can answer.

I'm going to speak for the taxpayers as part of my presentation because it's been absolutely impossible for the taxpayers to be permitted to speak on this legislation.

Brampton taxpayers are asking why the government is restructuring the region of Peel at all. The banner re-

gional municipality in Ontario, an efficient, effective and award-winning order of government, has worked well for over 30 years. My citizens are asking why the government is moving this legislation forward so quickly. My citizens are asking why they are not being consulted. My citizens are asking why their legislative rights under the Municipal Act being denied.

The Brampton taxpayers are asking why, when the mayor and council participated in good faith in a provincial facilitation process, this government is not accepting the recommendations of Justice Adams. The citizens of Brampton are asking why the Premier and the Minister of Municipal Affairs and Housing chose to give Brampton one additional seat when the consensus reached by Judge Adams recommended five additional seats, which yields no restructuring to Brampton council.

"No restructuring" was the magic of the five number recommended, built by consensus. We are right-sized, ready to be all at the region of Peel today in the identical representation format Mississauga has had for 30 years, and we agree with it: one regional councillor, one regional ward. The bottom line is the people of Brampton want to know why this government continues to ignore the city of Brampton.

Bill 186 is the third strike for the Liberal government in Brampton. I remind the members of this committee about the very public action taken by our community in getting our new hospital under construction and the fact that thousands of Bramptonians sit gridlocked on Highway 410, waiting for a long-promised extension to be completed by this government. This is the kind of dialogue and debate on issues that we should be taking our 20 minutes to discuss. We should not be here talking about the restructuring of a municipal government that is looked after in the Municipal Act.

In 2003, Brampton taxpayers voted for change. They voted for change that Mr. McGuinty and the Liberal Party promised them, and this government has broken that trust with the people of Brampton.

The Minister of Municipal Affairs asserts Bill 186 will bring stability to government in the region of Peel; it will not. Peel region has not, until now, been unstable. The mere introduction of Bill 186 in the Legislature on April 13 and the unacceptable process it has followed has done more to destabilize Peel region than any action by any order of government in Peel's 30-year history.

Given its recent actions and statements, it appears highly unlikely that Mississauga will be predisposed to relinquish any dominance over regional council newly granted by Bill 186. Practically speaking, this legislation ensures that Mississauga, unlike the other two municipalities, would be in a position to unilaterally create a deadlock on any issue. This fact alone destabilizes the region of Peel, in contrast to the minister's assertion otherwise. The Honourable Minister Smitherman rose in the Legislature last week, suggesting that Bill 186 "gives ultimate respect for all of the citizens of Peel region because it's based on the principles of representation by population."

0950

The government has been sadly misled on the facts surrounding representation by population in the region of Peel. I want to clarify the inconsistencies. Mississauga is currently—that is an important distinction—the largest of three municipal partners in the region of Peel. On that fact, the government is correct. Mississauga does have 60% of the population of the region—59.1%, to be precise, according to its population figures—but it only has 48% of the vote on regional council. They have a larger population share than a vote share. Brampton's in the same position. Brampton has only 28% of the vote, with a current population share of 35%. We're in the exact same position.

Arithmetically speaking, based on population figures approved by Peel council, both Brampton and Mississauga are under-represented at the regional council table. Removing the mayors from the representation-by-population analysis, since we're elected at large and this bill speaks only to adding regional councillors, and using the government's own population figures for Peel, each regional councillor—Bob, you should listen—in Mississauga currently represents an average of 71,666 citizens.

How rude.

By comparison, each regional councillor from Brampton currently represents an average of 76,000 citizens. There is a balance of rep by pop in Peel's urban centre today.

I'm going to have to skip through a bit. How many minutes do I have left?

The Chair: You have about five minutes.

Ms. Fennell: I'm going to go quickly, and maybe the audience will want me to finish. It may take me five minutes.

There is a balance of regional rep for each regional councillor in Peel's urban centres today. That is an arithmetic fact; it is not my opinion. There is rep by pop. We have equal numbers of population for regional councillors today in the cities of Brampton and Mississauga. In 2004, Brampton's residential construction value was three times that of Mississauga. The population this residential development generated will be in Brampton by the time Bill 186 takes effect. To put that \$2 billion into perspective, that is 9,000 additional residential units. An addition 30,000 citizens will be living in Brampton just from this year, not counting the growth since the 2001 census.

The level of representation Bill 186 imposes on Brampton will be out of date and is already out of date, its purpose rendered redundant before it even takes effect for January 2006. Let me assure you that this gap continues to increase dramatically, to the point where Mississauga and Brampton will have essentially equal populations but clearly unequal representation on regional council.

To demonstrate the full impact of Bill 186's inequity over the long term, when Brampton is expected to reach its ultimate population, as projected and approved by Peel council, each Brampton regional councillor, with

Bill 186 as it currently sits, will be representing—each regional councillor, Mr. Delaney—over 100,000 citizens; not just one, but every one of Peel's councillors. By comparison, Bill 186 defines Mississauga to serve an average of 68,200 constituents. Assuming the region of Peel even survives to 2031, the taxpayers of Brampton will have no effective recourse under the Municipal Act to increase their representation on that council. Bill 186 will have seen to that.

In conclusion, I want to reiterate two key points. Bill 186 does not support the basic principles of representation by population. The simple arithmetic of Peel's existing and projected population clearly demonstrates that. Bill 186, if enacted in its present form, will prevent Brampton from being guaranteed balanced representation by population regardless of growth into the future.

Bramptonians do not come here wanting a more advantageous level of representation. They do not want to dominate Peel council. Brampton taxpayers want a fair level of representation at the Peel table. The citizens of Brampton want this government to implement the full recommendations of Justice Adams, arrived at through good-faith bargaining. If this government is not willing to accept the Adams report in full, then do nothing. Leave the region of Peel as it is.

However, if your government is intent on moving forward with Bill 186, the citizens of Brampton urge you to recommend the necessary amendments to the legislation. We urge you to respect Judge Adams's report, which said that for every two councillors you add to Mississauga—which we agree with—you have to add two to the city of Brampton. We are currently exactly the same rep by pop: 70,000-and-some-odd citizens per regional councillor. We urge you to reflect true rep by pop for 2006, and we ask that the legislation include the necessary mechanism to ensure that all the municipalities in Peel—that would include Mississauga, Caledon and Brampton—have proper representation as each municipality builds out to its ultimate population.

You cannot grasp a population at one point in a 30-year history and say, "Today, we're going to make an amendment to a major piece of legislation, without consultation, that only reflects the 2001 census." It's already four years out of date. There is a census in 2006. Why don't we use the 2006 census, for the 2006 municipal election? If your answer is—and don't answer, because I know you don't want to—that you can't have all this organized for the 2006 election, what's the rush? We're going to have another election in 2009, 2012 and 2015.

If we're going to rejig and go outside the Municipal Act and alter the configuration of Peel council, then do it right. As my good friend the mayor of Mississauga always says, "Do your homework." Do it right. Don't do it based on false information without all of the facts.

You're hanging your hat on rep by pop and you're using an outdated census. You're hanging your hat on rep by pop and you're not using or respecting Canada's

fastest-growing city. You're hanging your hat on the fact that you don't award representation for future population.

Mississauga doesn't need a single other councillor today. Yes, they have two wards, very big, but they have several very small. Overall, they have rep by pop today, and so do we. We're in exactly the same boat. So if we're going to give the billed-out extra two for Mississauga, then at least respect the population of Brampton and award the same two, with the formula that allows councillors to be added as we go, because we don't want to restructure Brampton council. We right-size.

I think I'm out of time, and I thank you for not cutting me off. If there are any questions, I am happy to answer them if you're allowed to take the time. We can answer them on camera with the media waiting.

The Chair: The time for your presentation has expired. Thank you for your presentation.

TOWN OF CALEDON

The Chair: I call on the town of Caledon to come forward, please.

Mr. Tory: On a point of order, Mr. Chair: While we're waiting for the town of Caledon, might I suggest that at the very least, my earlier motion having failed when the Liberals all voted it down—we have people here who are slated to be heard this morning. They all have their allocation of time, and it's obvious with that allocation of time, we would go beyond the 11:30 recess. I would move that the committee continue sitting, respecting the time frames that have been set out in the schedule, until everyone who is slated to be heard has been heard, which will take us beyond the 11:30 time.

The Chair: There's a motion on the floor. Any debate? Hearing none, all in favour?

Mr. Hudak: Recorded vote.

Ayes

Berardinetti, Hudak, Prue, Tory.

Nays

Delaney.

The Chair: The motion is carried.

Good morning. You have 20 minutes for your presentation. You may wish to leave time within that 20 minutes for questions. I would ask you to identify yourselves for the purposes of our recording Hansard.

1000

Ms. Marolyn Morrison: Good morning, Mr. Chair, Mr. Tory, Mr. Hudak, Mr. Prue, and the Liberal members. I'm pleased to be here this morning representing the town of Caledon. I have with me Councillor Lyons, Councillor Thompson, Councillor deBoer and Councillor Paterak.

Even though we have not been able to have a hearing in Caledon, I am pleased to see that you've used the

Caledon room of the Holiday Inn for the hearing. Thank you for that.

The formation of the county of Peel, and county to region, was in 1866. The county was formulated to distribute the wealth and to provide fair and equitable servicing to the residents. The county was formed into the modern-day region of Peel, comprised of the same three municipalities it called home, in 1866.

The region of Peel is our nation's leading regional government, being recognized as the best-run municipal government in Canada. The region is well-recognized for its financial stability and the accredited services they provide.

I would like to talk about the process and development of the Regional Municipality of Peel Act, Bill 186. I would like to share with you a timeline that demonstrates the frustration and deep concern with regard to the process in which this bill was developed.

November 2003: At her inaugural, Mayor McCallion announces her intention to request the province's approval for Mississauga to secede from Peel region, which was plan A.

June 2004: The mayors from the GTA countryside alliance, which I started in the spring of that year, denounce the Mississauga plan, citing the domino effect for all regions in the GTA.

August 2004: Mississauga councillors walk out of a regional council meeting when the new regional headquarters matter is discussed. The uncertainty of this issue has greatly cost the taxpayers of Peel—over \$2 million of unwarranted costs at this point. Mississauga maintains that a decision to proceed with a new regional headquarters is premature, because they believe the region of Peel may not exist or that its function may change dramatically. Peel staff have confirmed that, because of the delays, the taxpayers are on the hook for over \$2 million of additional expense due to increasing building costs.

The Minister of Finance announces that the separation bid is off and a provincial facilitator will be appointed. The city of Mississauga then moves to plan B: to gain control of the region of Peel.

October 2004: The province appoints the Honourable Justice George Adams QC to investigate the issues and develop a solution for the provincial government to consider.

November 2004: The provincial facilitator meets with the mayors and chair, and in December 2004, to hear evidence and positions over a four-day period.

December 2004: Justice Adams issues a report and concludes that Mississauga and Brampton warrant additional regional representation, but recommends that Mississauga should not have the ability to control regional council through a majority. The report also sets out a process and criteria to move agreed-upon regional services to the local level.

December 2004: The city of Mississauga advises the province that they do not support the findings of Justice Adams.

April 7, 2005: Minister Gerretsen meets with the three mayors and chair under the pretence that they will discuss the facilitator's report. Instead, the minister dictates to the mayors and chair the province's decision to disregard Justice Adams's report and give the city of Mississauga two additional seats and the city of Brampton one additional seat.

April 12, 2005: Caledon requests to view draft legislation and requests that the bill not proceed to be tabled in the House without public consultation. This was denied.

April 13, 2005: Bill 186 is read in the House for first reading.

May 6, 2005: The standing committee on finance and economic affairs holds a public meeting in Mississauga and Brampton with less than 12 hours of notice to the public, who may wish to speak on this bill.

I believe we can see a pattern being established with regard to the region of Peel. With the most recent press release from the city of Mississauga on weighted assessment and the realignment of services, this pattern is continuing.

Yesterday at 10 a.m., my office received a phone call from the clerk's office for the standing committee on finance and economic affairs, giving official notice that the hearing for Bill 186 would be held on Friday, May 6, at 9 a.m., and advising that anyone wishing to make an oral presentation would have to contact them by noon that same day. When we asked how this information would be communicated to residents, we were told that a public meeting notice was posted on the Legislative Assembly of Ontario's Web site. I ask you, how would anyone ever know that? How many people would ever check that Web site on a daily basis, hoping that they could get that kind of information?

The Legislative Assembly of Ontario's Web site indicates that residents may contribute a written submission to this committee. However, Caledon residents are not likely to be aware of the May 9 deadline for written submissions, as the only local paper that publishes a week-end edition went to press on Thursday, well before the information about the hearing was communicated. Local newspapers are an effective and, in some cases, the only communication vehicle for our community.

Neither I nor my constituents can possibly accept these restrictive deadlines as part of the democratic process. If the purpose of this hearing is to gather community feedback, the government has certainly not provided sufficient time for Caledon residents to participate.

This process has not been transparent and greatly lacks consultation. At no time did the Premier or Minister of Municipal Affairs and Housing sit with all three mayors and chair to discuss the situation or the facilitator's report. At no time did the government consult with the municipal representatives, including councillors, or the general public. This bill circumvents the Municipal Act, which requires that municipalities work together to find a local solution through a public, transparent and open pro-

cess, as prescribed by law. The government disregarded this important legislation and implemented a facilitator. Brampton, Caledon and Mississauga participated in good faith.

The facilitator's report achieved a consensus among all three mayors. Before we left the room on that last day, we stood there, and all three mayors agreed with what Justice Adams was saying to us. This report was derived from an objective third party; the key word here is "objective." In fact, a little aside is that when Mayor McCallion was telling the papers how happy she was with Justice Adams being appointed because he was such a renowned judge and he would be very good and fairly look at everybody's information, I was a little worried that maybe she knew him and would have some influence. So it was quite interesting for us when we actually got the report. There were four days of meetings, plus the consultants' report. The implementation of a facilitator was the only part of this process that was fair, equitable and transparent.

There are two main problems with Bill 186. Firstly, the legislation will be implemented in time for the 2006 municipal elections. It will become outdated shortly after its implementation. Justice Adams's report suggests a mechanism to fairly warrant additional seats based on a weighted representation model. This would not be setting precedence, as other upper-tier municipalities like the county of Dufferin already have such a method. There are four others that also have it.

A trigger point is needed at which the population will warrant additional seats. If not, we will have to go through this again in a short time because of the immense growth that will take place in Brampton and Mississauga. Brampton is the fastest-growing city in Canada and, with the numbers projected for the GTA, this trend will not be slowing down any time soon. By the government circumventing the Municipal Act, they have made it impossible for us to deal with representation at the regional table in the future. Brampton has right-sized its council from 17 to 11 councillors for the 2003 election to properly balance its population, as you've already heard. Mississauga refused to do so, and so some wards are only comprised of 44,000 residents, while others have up to 118,900.

1010

Also, this bill has changed the role of the regional chair. Currently, the chair is there to act as a liaison among the municipalities and to guide the policy framework and help with the vision. This bill will make the regional chair kingmaker. They will hold the deciding vote in all tie situations. I think that makes the regional chair almost more powerful than the Premier of the province.

The town of Caledon has never been opposed to the city of Mississauga having more seats at the regional table, and I stated that at the regional table. I have told Mayor McCallion that. But it must be clear that no one municipality can have majority. The thing that has always made the region of Peel work is the fact that all three municipalities have to work together and have to

get along and have to be constantly bringing someone on side in order to be able to get what they need through that table.

My second concern with the legislation is that it creates another dilemma that could have severe consequences. The regional chair, as outlined earlier, plays an important role at the regional table. I brought this up with Minister Gerretsen when we had our meeting with him, and he informed us of the two and one. Unfortunately, no one was willing to deal with it.

Brampton and Caledon combined will have the same number of votes, 12, as the city of Mississauga. When electing the chair, there is great potential for a deadlock situation. This legislation has created this problem and provides no solution. The election of the chair could give Mississauga the majority of the region and could further Mississauga's initial request for dismantling the region of Peel. As I said in the beginning, I believe there's a pattern being established here, and I believe the pattern is chipping away and chipping away until everything is dismantled. I would like to think that this government would not be privy to that kind of dismantling, and if they truly believe that the region of Peel and all regional governments in the province of Ontario should be dismantled, come forward, state it and be honest with everyone, and then everyone can look at what should be put in place instead.

In conclusion, the government needs to be more forthcoming with the residents of Peel and provide more discussion. We are not in a hurry. Let's take our time and make sure we do this right. This process has been so rushed that it is excluding the residents who will be directly affected. Bill 186 will be outdated by the time of its implementation. The projected population growth for both Mississauga and Brampton will soon surpass this legislation and, in five years' time, we will be back here doing this all over again.

Justice Adams's report suggested a mechanism that would ensure stability in the region for many years to come. This bill may be putting one issue to rest, but in turn it creates another significant problem that will hold the region at a standstill. This is not what we want for the region of Peel. We do not want a dysfunctional level of government, and I don't think it behooves any of the residents of Caledon, Mississauga or Brampton to have that. The process for the election of the chair in a tied situation must be part of this legislation. If it is not, 2006 will be a trying time for all.

I would like to give my councillors an opportunity if they have anything they would like to add before we're finished.

The Chair: If you do speak, if you could just identify yourselves for the purposes of Hansard. There are about six minutes left.

Mr. David Lyons: Thank you, Mr. Chairman. My name is David Lyons. I represent ward 2 in the town of Caledon. That is the southwestern portion that immediately abuts the boundary of Brampton.

I couldn't help but note on Tuesday, as we sat in the House observing the proceedings in Toronto, after Mr.

Tory's address, we had the privilege of hearing Ms. Van Bommel, the parliamentary assistant of the Minister of Municipal Affairs and Housing, address the House. Ms. Van Bommel spoke to the House with pride of the open process and unprecedented level of consultation and consideration of the recently passed Greenbelt Act, Bill 135. I am, however, reserving judgment on the validity of the statement on the openness of the process, as members of the Greenbelt Task Force were sworn to secrecy by signing confidentiality clauses. How, in light of the process undertaken in that situation, can the people of Caledon have confidence in the process undertaken in the deliberations surrounding Bill 186, particularly when this issue has not come to regional council for formal debate and with only one day of public consultation?

That's all I have to say. Thank you.

Mr. Nick deBoer: My name is Nick deBoer. I am a councillor also in Caledon. I am also president of the Peel Federation of Agriculture.

A number of federations throughout the Golden Horseshoe are watching this process, interestingly, because a lot of the municipalities in the urban areas that we also abut that are looking at separating are looking at what happens here, and urban areas are looking at reducing their, I won't say subsidy, but their support of the rural areas of Ontario. I would question that this could lead to a process where the urban areas even further reduce their support of the rural areas of this province and put the agricultural areas and areas that produce food for the urban areas under larger financial duress. I think we've started to come back to a process where we see some monies coming into rural Ontario, but this has to happen along with our neighbours in the urban areas.

It has been very well put out that Mississauga's goal is to separate from Caledon because Caledon is going to be seen as a burden because of the fact that we've got greenbelt, Oak Ridges moraine, Niagara Escarpment and very limited opportunities. This is something that has to be kept in mind as our urban members of Parliament do sit there, from that seat. I find it interesting that some of the rural areas are represented on this side. Thanks.

Mr. Richard Paterak: I'm Richard Paterak, ward 1 regional councillor. I would just like to underline what the mayor said earlier, that it is quite egregious that there is such short notice. We have no way of notifying the public of Caledon. You have to understand that the public of Caledon has had no opportunity for input into the proceedings today. They have no opportunity to even come and witness the proceedings. We had no method, given the short timelines, and I find it quite outrageous.

Mr. Allan Thompson: My name is Allan Thompson. I'm councillor for ward 2. I would like to ask all of you, especially the councillors from Mississauga, and I know you're under a great deal of influence from a fine lady, a mayor who's very strong, but there are times—you've been elected to stand up and do the right thing. Read the report. Look at yourself in the mirror and say, "Am I doing the right thing? Is this good for the citizens of

Ontario, the region of Peel?" I know sometimes we have to make tough decisions, but this is a tough one for you. Ask yourself, "Am I doing the right thing?" Sometimes we have to stand up to the kingmakers and tell them they are wrong. Read it. You understand. I hope you were paying attention. I notice sometimes there's discussion going on, but this is a short process and we deserve the respect of being listened to.

Going through the greenbelt consultations, I do say there are some members sitting here today, and unfortunately the ones who are not here today, who weren't listening to what people have to say with their whole life career on the line. You made some detrimental decisions that are going to have a lot of effect on Ontario, and we will see that in the next number of years to come.

Please do not make the same mistake again. Listen to what's being said and do the right thing. That's what I'm asking you people to do. Justice Adams made a fair report. He makes decisions. That's his profession. Why don't you endorse what was recommended? Do the right thing. That's all I'm asking.

The Chair: We have about a minute left.

1020

Ms. Morrison: I would just like to thank you very much, Chair Hoy, for hearing us. I would like to reiterate that I do believe there are some amendments that need to take place with regard to this bill, and those would be the trigger points for population, for representation.

Also, I still think the onus is on this government to make sure that you have figured out how a regional chair is ever going to be elected at that regional council table with the possibilities that lie before us. I really would like to know, going into that election, what the government is going to do if there is no outcome. Will the clerk sit and be the regional chair? I believe in our bylaw it sort of falls to the clerk to sit there, so maybe for a three-year period we will have a clerk as the regional chair. I think that's something you have to think about, because it will make us even more dysfunctional. I mean, you can imagine.

I'd like to think that all mayors can work together. I do think that all mayors can work together. You have to be able to let things go and get on with the job. I know that I'm more than willing to do that, but those two things have to be fixed.

Thank you very much for listening to us.

The Chair: Thank you for your presentation.

SHAHNAZ KIYANI

The Chair: I would call on Shahnaz Kiyani to come forward, please.

Mr. Tory: Mr. Chair, just while the transition is taking place between the Caledon group and the next deputant, I had a question for the parliamentary assistant. There may be time for another vote while he's up. Brad?

The Chair: There is a question—

Mr. Tory: I just had a question while we're waiting. I wonder if the parliamentary assistant could enlighten us

as to exactly what would happen in terms of the selection of a chair for the region in the event of the kind of deadlock that the mayor of Caledon made reference to, just while we're waiting for the next deputant.

Mr. Duguid: I've had plenty of opportunity to speak to that particular issue. Mr. Chair, it's at your leisure whether you want me to speak to it again at this point in time.

Mr. Tory: Yes, that would be good.

Mr. Duguid: It's the Chair I'm asking.

The Chair: If it's agreeable to you.

Mr. Duguid: It's quite simple. Like any other council, the goal is to reach consensus. In this case, the beauty of this is that no one community, no one council has majority on Peel, so there would have to be a consensual approach. Whoever was chosen would be somebody who would, in theory, be representing all of Peel rather than any one particular interest. I think it's a process that has worked in other places that I'm certain would work here as well.

Knowing the people involved, I know how much they care about the region. I know that they'd be able to put their own parochial interests aside and decide on who the best chair would be for the entire region.

Mr. Tory: I will just note for the record, Mr. Chair, the great confidence the parliamentary assistant has in the consensual process, which confidence he didn't have when it came to arriving at a consensus in this case. It's ramming a piece of legislation through.

The Chair: We'll move to our next presentation.

Mr. Duguid: That's something you would know a lot about, and your previous government, for sure.

The Chair: Order. We're moving to our next presentation, gentlemen. I remind members that there will be an opportunity to discuss the bill in full at clause-by-clause.

Good morning. You have 10 minutes for your presentation. You may leave time within that 10 minutes, if you so wish, for questions. I would ask you to identify yourself for the purposes of our recording Hansard.

Ms. Shahnaz Kiyani: Thank you, Mr. Chairman. Good morning, ladies and gentlemen. My name is Shahnaz Kiyani, and I live in the northeast section of Brampton. I come here today to you as a concerned citizen who needs to speak out against Bill 186.

In my opinion, Bill 186 is flawed and should not be passed by the Legislature. Bill 186 represents another broken promise by the Premier and his government. The Premier campaigned on a commitment to build stronger communities and to listen to his constituents. Bill 186 is going to put hurdles in the progress and growth of Brampton.

By disregarding the recommendations of a facilitator that he himself appointed, the Premier has ridiculed and thumbed his nose at the process to which he has been entrusted by us. Brampton does not deserve this treatment. Come next election, Brampton will remember how this government treated it.

Bill 186 is flawed because it condemns Peel council to a permanent deadlock by giving Mississauga 50% of the seats on Peel council. Mississauga would need only one vote to perpetually dominate the council. Brampton, which is already underrepresented, becomes even more so, with one councillor for approximately 80,000 residents compared to approximately one for every 75,000 in Mississauga. It does not address how the regional chair will be appointed or elected. If it is going to be appointed, I think it's an undemocratic procedure. If appointed, it will allow for the possible dismissal of the chair at any time. This possibility will severely affect the chair's independence.

Bill 186 is also flawed because it disregards the interests of Brampton and Caledon citizens. It has come into being through a flawed legislative process, without the benefit of full public consultation. There are other bills, like Bill 156, which are getting eight days' notice before public hearings; we were given only a few hours. I personally called at 1 o'clock yesterday afternoon and I was told that I am allowed to speak—1 o'clock in the afternoon, to come here to speak at 9:30. It's not much time. It defeats the very basis of the Municipal Act, the objective of which is to protect the public interest.

Mississauga has exhausted its potential for growth. Brampton, on the other hand, is one of Canada's fastest-growing cities. It is growing so fast that its infrastructure is unable to keep pace. Brampton must now be able to get its proportionate share of the regional revenues in order to do right by its citizens. If Brampton does not get its proportionate share, then our property taxes are going to skyrocket.

The only possible solution to this problem is for the Premier to implement the formula recommended by Judge Adams and agreed upon by all the mayors: Give Mississauga the two seats they lobbied for, but at the same time give Brampton the five seats that Judge Adams recommended. If, after all that, Mississauga still wants to leave the region of Peel, perhaps we can give them an honourable discharge. They should return up front all that they received from Brampton and Caledon. They'll go their way; we'll go our way.

Thank you for listening. I hope it gets some attention.

The Chair: Thank you. We have about two minutes per party, and we'll begin with the official opposition.

Mr. Tory: Could you just elaborate on the very last point you made, which I think is one that's often lost sight of, in terms of the evening-up, as it were?

Ms. Kiyani: The honourable discharge: If it were not for the development dollars coming in from the region of Peel, Mississauga would still be cornfields in the suburbs of Toronto. They developed because they got all that money from the region of Peel. If they want to separate, then instead of making everybody's life miserable, they should pay it all back to us up front and be independent, and we'll all be independent municipalities. If they can't find that money up front, the provincial government can bail them out.

Mr. Tory: Before I asked my question, I should have begun by thanking you for your presentation, by the way.

You raised a couple of points that hadn't previously been raised by the mayors. I think there's pause for thought in looking at the context within which this is all happening.

Is it your sense, as a citizen, that that's really what this is about, a kind of hidden agenda—

Ms. Kiyani: Yes, I think so. I strongly believe that it is. I was also in the House on Tuesday and I heard the Premier say that they are implementing all the recommendations of Judge Adams except one, which is not giving Brampton all the seats. That is the only one and that is, again, playing a game to make other partners in Peel subordinated to Mississauga.

1030

The Chair: We'll move to Mr. Prue of the NDP.

Mr. Prue: In four more minutes, they're going to question you too. It's me next; you've got to look this way.

Ms. Kiyani: Oh, sorry.

Mr. Prue: OK. You're suggesting that Mississauga go its own way. Are you in favour of having one level of municipal government? This is what we have in Toronto now, and I have to tell you, I don't think it works as well as the old metro government and six municipalities, not by a long shot.

Ms. Kiyani: Actually, I'm not in favour of that. I just said that if Mississauga cannot put up—that's how Mayor McCallion started. They wanted to secede from the region. What is happening now is an outcome of that insistence of Mayor McCallion on seceding. When they were not allowed that, they started this other plan. I'm not in favour of it personally, but if they really don't want to be with us, if they are going to make life miserable for everybody else, if they are not happy with us, then they should secede, but they should pay us all our money back.

Mr. Prue: All right. I think that's enough. Thank you.

The Chair: We'll move to the government.

Mr. Duguid: Ms. Kiyani, thank you very much for taking the time to join us today and for making your deputation. The mayors are still here; I want to thank the mayors for taking their time as well and for joining us today.

There are just a few quick things I want to touch on. One of them comes from what Mayor Fennell talked about. I just want to assure the mayor—if she'd just take a look at subsection 1(4) of the legislation. There's a concern expressed about the potential need to restructure the local seats, create new wards and those kinds of things as a result of this legislation. This legislation gives Brampton the flexibility to choose their representative as they wish, so they will not have to restructure their seats if they choose not to. They can add an additional ward if they wish to, but they could appoint a regional councillor among their local councillors or in any other way they so choose. So that gives a little more flexibility there.

I want to talk about the numbers that you raised. My numbers suggest that we're looking at, right now, Mississauga with about 60% or 61% of the population, Brampton with 34.8% and Caledon with 5%. Do you think it's

unfair for Mississauga, with 61% of the population, to have 50% of the seats on Peel council?

Ms. Kiyani: I think you heard Mayor Fennell say that if you look at the number of the population and the representation and you work out the percentage, Mississauga is actually overrepresented. Brampton has approximately 80,000 residents to one councillor, and Mississauga has approximately 75,000 people to one councillor, so we are actually underrepresented.

Mr. Duguid: I'm not sure what numbers you have, but our numbers are completely different from that.

Ms. Kiyani: I'm not a city administrator; I might have made some mistakes there.

Mr. Duguid: No, that's fine. Thank you; I appreciate that.

The Chair: Thank you for your presentation.

CITY OF BRAMPTON

The Chair: I call on Clay Connor.

Mr. Hudak: Chair, I know Mr. Connor, who is counsel, is coming forward. There may be two issues that Mr. Connor is going to address, and I wonder if we could have clarification from the parliamentary assistant. The parliamentary assistant earlier, in his response to Mr. Tory, indicated that he hopes that there's a consensus to decide the regional chair. I think it's important that if this bill were to pass, legislation should describe what happens if that consensus is not reached. How do you break that tie? If Mr. Duguid could explain to us if consensus is not reached, how is a tie broken?

Secondly for Mr. Duguid, subsection 1(2) says that the regional chair would be appointed by the members of regional council rather than be elected, and that begs the question of whether another chair could be appointed during the term. Could you tell us why the term "appointed" is used instead of "elected," which is customary.

Mr. Duguid: I think I explained it before. Our intention and our expectation with this is that all parties will be able to work together in the best interests of Peel. That's exactly what I fully expect is going to occur here.

With regard to the election of the chair, nothing in this legislation will change the election-of-chair process from any other municipality of this type that's structured in a similar manner. However the election of chair took place in the past, and what provisions would have been in place to provide for a potential if they couldn't reach a consensus, would remain in place.

Mr. Hudak: Not to belabour the point, but I did want to point out that legal counsel, Mr. Rust-D'Eye, had pointed out that acts customarily read that the chair is elected—and it's clear—not appointed. Secondly, I believe that under the Municipal Act there are provisions for the breaking of a tie, which makes people concerned that the minister then would appoint the chair instead. I just wondered if the parliamentary assistant would be amenable to putting into the bill some method for breaking a

tie rather than not having any method whatsoever and a potential deadlocked council.

The Chair: I want to once again remind members of the committee that these items and questions can be brought up at clause-by-clause. We do have people in the room waiting to present, and I just ask for your courtesy. I suspect that the persons who are here in the room may have other things to do today as well. I ask for that courtesy. We can discuss these issues at clause-by-clause, as all members would know.

Mr. Hudak: Just a quick answer is fine.

Mr. Guidug: If you look to the Municipal Act, it defines how a chair is appointed. The Municipal Act also defines whether a regional council has the authority to depose a chair. Our reading in the Municipal Act is that there is no such authority, and this act certainly doesn't impugn that in any way.

The Chair: Thank you.

Sir, you have 10 minutes for your presentation this morning. You may leave time within that 10 minutes for questioning, if you wish. I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

Mr. Clay Connor: My name is Clay Connor. I'm a lawyer with the city of Brampton. I've practised law with the city for over 20 years. I thank you for the opportunity to speak to you today about the legal and practical implications of Bill 186. I also thank the clerk for slotting me into the clean-up position in the batting order this morning. I think that's appropriate.

Some people have called Bill 186 a fairly innocuous bill. However, if it's enacted in its present form, there will be significant legal and practical implications that are not readily apparent from simply reading the bill. Here, as in so many areas, the devil is in the details.

The appointment of the regional chair: Section 1 of the bill speaks of the members of regional council appointing the regional chair. Section 28 of the Interpretation Act provides that the power to appoint an official includes the power to remove that official. This would compromise the independence of the chair, who presently, as statutorily set out, serves for the full term of council. The bill should be amended to follow section 6 of the former Regional Municipalities Act to provide that the members elect the chair and that the chair serves for the full term of the council and until his or her successor is appointed.

We've had some discussion about breaking the tie vote in selecting the chair. With the additional representation provided by Bill 186, there will be 24 members of council, 12 from Mississauga and 12 from Brampton and Caledon combined. With an even number of councillors, there could be a tie vote in the selection of chair if everyone votes.

The former Regional Municipalities Act provided that if a tie in the vote for the selection of chair could not be resolved by the council within one week of the first council meeting of the new term, the Lieutenant Governor in Council appointed the chair. It's unclear if that provision continues to apply, as the Regional Muni-

cipalities Act was repealed and there's no consensus as to whether the transition provisions of the Municipal Act would carry that provision forward. I think it should be made clear. You've got a chance up front to fix what could be a problem down the road, and it could be an embarrassing one if there's deadlock after the election when you're trying to select the chair. Bill 186 should be amended to provide a mechanism to resolve a tie vote to select the regional chair.

1040

The parliamentary assistant mentioned the options for Brampton to select its regional representatives. You heard from Mayor Fennell how, for the 2003 municipal election, Brampton redivided and balanced its wards and downsized its council from 17 to 11 members. Choosing any one of the options in Bill 186 for the manner in which the regional representatives are selected will be a difficult decision for Brampton in light of where we are in our history and what we did three years ago. It's a decision where council is going to want to have significant public input.

While there is no public notice required prior to enacting a bylaw under Bill 186, if the method of selection chosen has the additional member sitting on both the city and regional councils, the city will be required to pass a bylaw under section 217 of the Municipal Act, 2001, to alter the composition of city council. This requires public notice and at least one public meeting.

If the method of selection council chooses requires a redivision of the wards within the city of Brampton, the process under section 222 of the Municipal Act, 2001, must be followed. This again requires public notice and at least one public meeting. Once the bylaw is passed, the minister, any person or agency has 45 days to appeal the bylaw to the Ontario Municipal Board. If the bylaw is appealed to the OMB, it's extremely unlikely that the ward boundaries will be finalized before January 2, 2006, and that's the day candidates can begin to file nomination papers for the 2006 municipal election.

A delay in finalizing ward boundaries will also impact upon the Peel District School Board and the Dufferin-Peel Catholic District School Board, which must take the municipal wards into account for the purposes of trustee distribution. I understand you'll be hearing from the separate school board in Mississauga this afternoon. They'll tell you in more detail than I can what the impacts could be on them.

A number of deadlines set out in regulation 412/00 under the Education Act could be missed if there is a delay in finalizing the ward boundaries. Through the use of regulations, the Minister of Municipal Affairs and Housing may be able to provide a legal solution to this problem by putting in a regulation to extend some deadlines, but whether the legal solution is acceptable in the eyes of the public remains to be seen.

One point that I haven't really heard discussed anywhere in the lead-up to Bill 186 is the region's role in ward redistribution. Under subsection 13(4) of the former Municipal Act, it was clear that only the council of a

local municipality had the authority to pass a bylaw dividing or redividing the municipality into wards. Subsection 222(1) of the Municipal Act, 2001, gives that power to a municipality, which could be upper- or lower-tier. Had the Legislature intended the former law to continue to prevail, subsection 222(1) would have only granted the power to divide into wards to a lower-tier municipality. It doesn't say that; it just says "a municipality."

This leads to the conclusion that an upper-tier municipality like the region of Peel may now have a role to play with respect to the creation of wards for the purpose of election to regional council. The Municipal Act, 2001, is unclear as to how the two levels of government are to resolve who does what in order to establish wards to elect councillors to serve on both the upper- and lower-tier councils.

This is a Municipal Act problem; this isn't a Bill 186 problem. It can arise in any region, but because of Bill 186, it's going to arise here first. Unless it is addressed, it leaves open the possibility of a court application challenging the validity of a lower-tier municipality's bylaw that purports to create wards for the purpose of election to the upper-tier council. The argument simply is that the lower-tier doesn't have jurisdiction; the upper tier has to do it.

I'd like to turn to the issue of providing for future representation for Brampton. This is another point that's been sort of glossed over. Section 3 of Bill 186 leaves Brampton with utilizing the process set out in section 218 of the Municipal Act, 2001, to secure additional representation on regional council in the future as Brampton continues to grow.

The section 218 process requires a triple majority for any changes to be approved. The triple majority means that the changes have to be approved by a majority vote of regional council and by a majority of the lower-tier councils representing a majority of the electors in the region. So that's the triple. In practical terms, given the current and projected populations of the lower-tier municipalities in Peel, this means that Brampton will not be able to secure any additional representation on Peel regional council without the consent of the city of Mississauga council for at least the next 20 years. In light of recent events, it's unlikely that Mississauga council will ever agree that it's in its interest to dilute its voting power on regional council by approving additional representation for Brampton. Brampton is the only municipality in the region that is in that position, because it's the only region where the majority of the population lives in one municipality. Bill 186 should be amended to provide a mechanism for Brampton to secure an as-of-right increase in its representation on Peel regional council as its population growth warrants.

I want to talk briefly about the minister's power to make regulations under this bill. Section 4 of the bill gives the minister the extraordinary power to make regulations that prevail over any act in respect of "those matters which, in the minister's opinion, are necessary or

expedient to conduct the regular election in 2006 in the regional municipality." The normal rule is that acts of the Legislature prevail over any regulations made by the executive branch or by an individual minister. While the ability to give the minister such power has been held by the courts to be constitutional—it goes back to a 1918 case that allowed for the War Measures Act—the courts are still able to adjudicate on whether the regulations that are made are within the scope of the power that has been granted are valid. In matters dealing with elections and democratic rights, one can expect any court scrutiny to be quite vigilant.

Any regulations that are made will likely impact on how the 2006 municipal election will be conducted. We therefore request that the minister provide all the municipalities in Peel with a consultation draft of the regulations that are being contemplated, since the municipalities may have more clarity and transparency with respect to the orderly conduct of the 2006 regular election. You folks and your colleagues in the Legislature, as elected officials, probably know more than anybody else and can appreciate more than anybody else how important it is for an election to function smoothly.

These points are examined in greater detail in our written submission, which you have, and in a paper entitled *Closing the Doors on Municipal Democracy in Ontario* by George Rust-D'Eye of the law firm WeirFoulds. This paper has been filed with the committee as part of Brampton's submission.

To conclude, Bill 186 gives additional voting strength on Peel regional council to the city of Mississauga to recognize that the majority of the region's population lives in Mississauga. When Peel region was formed in 1974, 66% of the region's population lived in Mississauga. Mississauga now has 60% of the region's population, and as the region continues to grow, Mississauga's percentage share of the region's population will continue to decline. Enacting Bill 186 means that Mississauga's percentage share of the vote on regional council will increase as its percentage share of the region's population is declining.

In listening to the debates in the House on Bill 186, both in person and on TV, it's apparent that all sides of the House agreed that the goal was to make Peel region stronger and better able to provide the services required by all its citizens. Giving increased voting strength on Peel regional council to the one municipality, which wants to separate from Peel region, seems a strange way of achieving that goal.

Those are my remarks. I'd be pleased to answer any questions.

The Chair: Your time has expired. We appreciate your comments.

1050

MICHAEL COLLINS

The Chair: I would call on Michael Collins to come forward, please.

Good morning. You have 10 minutes for your presentation. You may leave time within that 10 minutes for questions, if you wish. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Michael Collins: Thank you, Mr. Chairman. I'll try to be a little less technical, perhaps, than Clay was.

Good morning, ladies and gentlemen, Mr. Chairman. Thank you for the opportunity to provide you with my thoughts on Bill 186.

My name is Michael Collins, and I have been a resident of Brampton for the past 20 years. In fact, with the exception of probably three years, I have spent all of my life in Peel, dating back to the 1950s, when it was known as Peel county.

In that time, as I'm sure you can imagine, I have witnessed a lot of change. There is a quote that says, "Change is inevitable. In a progressive country, change is constant." I don't think that is any more evident than here in Peel.

When I was growing up in Cooksville back in the 1950s and early 1960s, we lived in a house on Palgrave Road. I would walk half a mile or so north and build forts, catch frogs in the field, not too far from where Square One is today.

In 1974, regional government came along, and towns and villages were amalgamated into the regional municipality of Peel. While I wasn't really focused on the issues back then, I recall that there was plenty of debate then as well. In fact, I believe the then mayor of Streetsville was steadfastly opposed to being amalgamated with the likes of Port Credit and Cooksville to become the new city of Mississauga. That mayor obviously didn't have the same clout that the current mayor of Mississauga does.

There was, however, considerable thought and discussion that went into the formation of the region of Peel, including how the representation would be divided so that one municipality could not control or alter the agenda of council.

While there may have been some minor glitches along the way, for the most part, I think you would agree that it has been very successful. You just to have look at where I used to catch frogs for the evidence.

For the past 30-plus years, we have watched Mississauga grow into the world-class city that it is today. All the while, residents of both Brampton and Caledon have contributed their tax dollars to the region to help develop the infrastructure that Mississauga enjoys. The mayor of Mississauga is correct in the fact that Mississauga has two thirds of the residents of Peel. We know this because we have watched our tax dollars go to build her city for the past 30 years.

Now that her city is complete, the mayor would like to break up the region, exactly when the focus is shifting to Brampton. By all estimates, we will experience rapid growth too. In fact, in 2009, it is expected that Brampton will have a population approaching that of Mississauga.

So why race Bill 186 through third reading and into law, only to have to do the same exercise over again after

the 2006 election? By changing the balance of power of the region, where one municipality, with the support of the chairman, can control the council, the government will be assured that the province will have to intervene again in order to effect the change that is due when Brampton's population reaches that of Mississauga—that is, if the region still exists in 2009. The mayor of Mississauga has made it very clear that her objective is to break up the region.

The Premier has stated that regional governance should be decided locally. By transferring this balance of power to one municipality with the support of the chairman, the province has effectively opened the door to one municipality arbitrarily voting to move toward dissolving the region.

So, at the very least, Bill 186 should be amended to provide a formula for Brampton's increasing population. For each incremental increase in the population, Brampton would automatically add those extra regional seats in time for the next municipal election. That way it would not be left to the province to pass new legislation each time Brampton deserves a new seat at the region. Justice Adams, in his report, recognized this need and tried to provide for it.

But the region could face problems even long before 2009. The first opportunity for an impasse could come as early as inauguration night. Should two candidates for regional chair be put forth, one supported by Brampton and Caledon and the other by Mississauga, the vote could be deadlocked. While I won't outline the whole procedure, I do believe a totally deadlocked vote would end up having to be settled by the Lieutenant Governor in Council—exactly what the government needs.

All this uncertainty ahead, when the existing system has worked well over the past 30 years. All this uncertainty ahead, when we have a facilitator's report, by an unbiased third party, which addresses the required changes. All this uncertainty ahead, due to a flawed bill which is being passed into law in a far too hasty way.

Ladies and gentlemen, change is inevitable and change is constant. But change for the sake of change, change that is not well thought out, change that creates more challenges than it solves—this kind of change is not progressive. In its current form, Bill 186 is flawed and should not be passed. At the very least, this process needs to slow down and have more discussion with local input. At the very least, Bill 186 needs to be amended to provide for Brampton's future growth and to address the potential for a deadlocked vote. Ensure that the region of Peel remains as it is today: one of the most efficient levels of government. When it's time for change, let all the residents of Peel be heard.

The Chair: Thank you. We have about two minutes per caucus, or a little less than that. We'll begin with the NDP.

Mr. Prue: Mr. Collins, you are obviously opposed to the government's agenda. You have talked about the growth of Brampton. Do you see it in the same time

frame as the mayor and others who have spoken: a very rapid building-out by 2009 or 2012?

Mr. Collins: Absolutely. We're far ahead of our projections as it is. You just have to spend five minutes on the roads to realize how—

Mr. Prue: That's the way it appears to me.

You said that you've been a resident of this area for all that time, and you've given some historical background on catching frogs and the like. What is your profession, though? You've come here as a citizen.

Mr. Collins: I'm a business person. I'm a commercial real estate broker in town, and I have served on the board of trade and as president of the Brampton Real Estate Board.

Mr. Prue: So you're very familiar with sales of property and how fast things are moving. The figures that we have in this huge binder here indicate that Brampton is second only to the city of Toronto in terms of commercial real estate sales, and is actually number one in the land, I think, in terms of ordinary home sales; is that correct?

Mr. Collins: I believe that is absolutely correct.

Mr. Duguid: You talked about a concern about a lack of balance with Bill 186. I've been looking at the numbers throughout this entire debate that I guess began about a year and a half ago overall. I look at the populations of the various areas—Mississauga is at around 61% of the population, Brampton is at 34.8% and Caledon is at around 5%.

When you look at average population per councillor right now, under the status quo, Brampton is at about 63,333, Caledon is at 11,000 and Mississauga is at 68,900 people per councillor on the regional council. I recognize that for Brampton and Mississauga, that's high for both of them. It's significantly higher: 5,000 more people per councillor in Mississauga than in Brampton in terms of representation.

The Adams proposal—

The Chair: Would you put your question, please? We only have two minutes.

Mr. Duguid: There may not be time for an answer, but that's fine. I want to make sure that my point gets out.

Mr. Collins: I'd like to answer.

Mr. Duguid: When you look at the Adams proposal, that would have increased the gap between Brampton and Mississauga by about 10,000 people per councillor. In the proposal we've brought forward, when you look at representation by population—the average population per councillor—you're looking at Brampton with 54,285, Mississauga at 57,416 and Caledon at 11,000. It narrows that gap, which I would suggest makes it more equitable from a representation-by-population basis. Are you aware of those numbers?

Mr. Collins: With all due respect to those numbers, I think the problem that you have in this region, which is unique to Ontario and, I would say, Canada, is that this area is changing so rapidly. Mississauga has reached the end of its buildout; it did so five years ago. Brampton is

experiencing tremendous growth now. The numbers that you see and are attributing to Brampton are not today's population, and it will not be the population when the 2006 election comes around. The population changes. Every day, there is a great influx of people. If you use more current numbers, I think you'll find that things are a lot more equitable.

1100

Mr. Hudak: Thank you, Mr. Collins, for the presentation. It's kind of funny, because the government rests their entire argument on rep by pop. It's the only argument that they bring forward. The government, though, when it comes to provincial boundaries, has brought forward a bill that is not based on representation by population. So it's a bit hypocritical, I have to say, that you use that argument here today, when your own legislation for your own boundaries is not rep by pop.

Secondly, when the regions were built, when Bill Davis built the region of Peel and across Niagara in my area, it was done for a balance between the larger centres and the more rural areas, to make sure they worked together on a consensus.

What do you think is the most important principle: rep by pop strictly, or a balance in terms of interest in the municipalities?

Mr. Collins: I'm 100% behind a balanced approach. That's the way Canada has been put together. We have the have-not provinces and we share our money. The government is in a big battle right now to try to get some money back. To do it by rep by pop, you're going to leave Caledon on its own. Caledon is a very important part of Peel region and should be looked after. So you can't always just apply the math and make it work best. It's got to be what works best for everybody.

Mr. Hudak: I'm looking at the government's own numbers. If you look at what Minister Gerretsen said in the House about the difference between how much population there is for a councillor—and they include the mayors in that—there's about an 8% difference currently, and it would go down to a 5.5% difference if this bill were to pass. That is not a huge change, from an 8% down to a 5.5% difference. So I do wonder if making this substantial change in terms of the impacts on deadlock at council, for what works out to a 3% change in population, is a good decision.

Mr. Collins: I don't think all the effort is worth the change at all. The bigger problem is it's going to have to be done all over again, because, as I said, Peel is changing and Brampton is changing. We're going to have to do it right after the 2006 election again, because this regional government cannot make its own decision presently, let alone after this change comes into play. So no question about it. We're going to be doing this for years.

The Chair: Thank you for your presentation.

JOHN CUTRUZZOLA

The Chair: John Cutruzzola, good morning. You have 10 minutes for your presentation. You may leave

time within those 10 minutes for questioning if you so wish. I'd ask you to identify yourself for the purposes of our recording Hansard.

Mr. John Cutruzzola: My name is John Cutruzzola. I've been a citizen of Peel since the region was created 35 years ago. I'm here as a citizen of Peel and of Brampton. I want to bring that aspect to this process, and that is of a citizen who has an interest, like any other of the million people living in the region.

The region, as it stands today, has served us in Peel very well for 35 years. It is understood that times have changed and that changes will need to take place. However, those changes are to be guided and have to be consistent with the harmony and the achievement of the success of the last 35 years. We should make all the effort possible to make sure that the next 35 years will continue with the same success as the last 35.

We embarked on a process by the will of one of the parties at the corporation of the region of Peel, a call for changes, and it seems to me that the process that is being driven is all one-sided. The conclusion, as we stand today, is that being here, after so much effort being made to be heard, finally, this morning, you see fit to give us a little bit of time. Frankly, knowing the process of the last few months, this may not be a process that could effect changes in the way this bill is being put through.

I think the citizens of Peel were appeased when Judge Adams produced the report. We all felt, both friends in Mississauga and Brampton, that finally this issue was going to be resolved, and most of the citizens were happy that there was a compromise, until we heard otherwise, when the government decided to interfere.

I want to remind all of you in government, in a position of power, to think of the people. The region of Peel is made up of families, like any other part of this country, and people who interact every day. For any politician in a position of power to use their position to put in a wedge that they don't need to and divide families on issues is the real question here. The region of Peel would lose more than they would gain under the wishes of Mayor McCallion, and we end up with a resentful population to the north and south and bring resentment to the hearts of people. Probably the most crucially important aspect of this process is that we remain united and we remain people who can interact and live together. I think there is too much of a zealous politician, who, without regard to the outcome, is rushing ahead, causing those kinds of resentments to grow every day. I think the government has a duty and a responsibility to make sure that the process is being seen to be fair. Frankly, today, it does not seem that way.

I've been in business for a long time; I deal with business issues and corporations. I don't see it could ever work that I would be dealing with a party on the other side of the table who already, when I sit down to make a deal of some sort, has the upper hand, already has 50% of the shareholders voting for him. What is there for me to do? All he needs to capture is one vote on the other side and I have to go for the whole 50%. How can you see this bill working?

I'm not a politician and I don't know anything about statistics. I know how people feel and how people want to feel in this region. It is irresponsible for somebody's ego to bring the people to this state of resentment. Nobody in Mississauga, Brampton or Caledon wanted to outdo the other. The people in this region want fairness and they want you, the government, to set out deadlines with fairness, that they can deal with fairness, as they did in the last 35 years. This is not fair.

The fact that three of our representatives in your government cannot support their own government should tell you something. It's not a decision they make easily. This is seen as a process to dismantle the region of Peel because that's the wish of one mayor in this region. It has been the wish for 35 years. Now it's founded on a lie, to achieve that in a misguided way. The people see through this. Don't be making a mistake. From the truck drivers to the labourers to the lawyers in this province, they see through this. It's a manoeuvre to dismantle the region.

1110

Let me tell you what the mayor of Mississauga does not know and perhaps doesn't want to see. In Brampton, we have able people. We have the resources. We have a young and dynamic mayor who will be able to lead the fight for the next 25 years—longer than the mayor of Mississauga may hope to have. Brampton, at the end, will have everything that comes to it.

Thirty-five years ago, Brampton, as a shareholder of the corporation, invested its proportionate share of resources. The only division that can occur in that process is that the corporation be assessed today in its entirety. Whatever we find the value to be today, it belongs to all three shareholders in their proportionate share—not just what has been achieved today, but what those assets will produce in the future. When a road was constructed 35 years ago, it cost \$100,000; today, it will cost perhaps \$1.5 million. That has to be looked at to see what the building of that road has brought to the municipality that got the road at that time. What the value is today has to be assessed, and how much it will cost the municipality, which is growing, to replace it. When the mayor of Mississauga finds out how much the real cost of division is, she may change course, because she's used to doing that.

I have not much more to add to this. I said that I will talk from the heart of a citizen. But I tell you, the road ahead, if you continue and this bill is passed, is a rocky one for your government and for the people of the region of Peel. You have the power and the time, if you want, to pause and do it right. The people of this region are not enemies; together, they're a family. They want a fair government, and they want you to give them the guidelines so they can govern themselves fairly. Thank you.

The Chair: You have excellent timing. Thank you for your presentation.

MICHAEL CHADDOCK

The Chair: I call on Michael Chaddock. Good morning. You have 10 minutes for your presentation. You may

leave time within that 10 minutes for questions, if you wish. I would ask you to identify yourself for the purposes of Hansard.

Mr. Michael Chaddock: My name is Michael Chaddock. I appear before you today as a citizen of the region of Peel and, more importantly perhaps, of the city of Brampton. I've lived in Peel since the early 1980s. I've lived in Mississauga and worked in Mississauga; I've lived in Mississauga and worked in Brampton; I've lived in Brampton and worked in Mississauga and Brampton. Today I live in Brampton and work in Brampton, so I've got you three covered.

Mr. Duguid: Don't ask us to repeat that.

Mr. Chaddock: You're supposed to be taking notes, Mr. Duguid.

Interjection.

Mr. Chaddock: I'm sorry. Let's just say I've got the region covered; how's that?

The current government for some reason decided, in my opinion—anything I say today is my opinion, except when I get into quoting some figures—that they were above the Municipal Act. The Municipal Act sets out the way government can change in the region of Peel or, for that matter, any other region in Ontario. The Premier decided he originally wasn't going to look at governance in the region of Peel, then he decided that maybe he would and then he appointed a facilitator. As you've heard from Her Worship the mayor of Caledon, the three mayors left the facilitation process with Judge Adams all agreeing. If the three mayors, who Mr. Duguid has already said have to work together, could agree at that point in time, why in God's name is the provincial government trying to impose their will on the three mayors of the region of Peel and the citizens of the region of Peel?

Mayor McCallion originally wanted to secede from the region. That shouldn't be a surprise to anybody, considering that when she was the mayor of Streetsville in 1974, she didn't want Mississauga to become part of the region of Peel in the first place. The fact that the region of Peel works as well as it has up until this point in time probably speaks well to Mayor McCallion and her contributions to the region, because perhaps in the past she has had the best interests of the region in mind.

The region of Peel built from south to north. The city of Mississauga has a wonderful waterfront. I have driven the roads of Mississauga over a number of years in a vehicle that was graciously supplied to me by my employer at the time. I can remember driving up Dixie Road when it was two lanes. I can remember driving across The Queensway when it was two lanes. I can remember driving up Kennedy Road when it was a dirt trail—almost; it was two lanes. I can remember driving up Winston Churchill when it was two lanes. Unless I'm wrong, those are all regional roads. And again, unless I'm wrong, they're all at least four lanes, and some of them are six lanes. Paid for by whom? The taxpayers of the region of Peel. Derry Road used to be a two-lane road that wandered across the region of Peel. It is now

relatively straight and it's eight lanes. It's in Mississauga. Paid for by whom? The taxpayers of the region of Peel.

Am I angry? You're damned right I am, because my tax dollars have helped build the city of Mississauga, and now that the city of Mississauga, as you have very clearly heard, has built out to the point where they don't have a lot of room left to build, they want to get out before they have to put their share of the dollars into the city of Brampton and the town of Caledon.

Mr. Hoy, unfortunately I'm looking at you because you're the Chair, but I'm not shooting the messenger; you're just here listening. I'm trying hard not to look over here at three people that I just can't believe are sitting here today and are going to try and tell me they're not biased in this process with Bill 186. When you represent the city of Mississauga—and I suppose Mr. Tory might be in the same position, with part of his riding being in the town of Caledon—I fail to understand how the three of the five people to my left could not declare a conflict of interest and would not be sitting here today. I just can't swallow it.

The fact that I had less than 12 hours to decide whether I wanted to appear today once I found about it and I had the same timeframe to decide if I wanted to speak is also a little grating. I've had to dump my schedule, and there's no question in my mind that everybody at this table had to do the same thing, except I suggest you probably knew about it Wednesday night; I found out about it Thursday morning. I managed to phone the clerk's office and get a chance to speak today and I beat the 12 o'clock deadline by 20 minutes. I would suspect that had this process been above-board, open and democratic, you would find a lot more people from Brampton and, God knows, a lot more people from the town of Caledon here because they would have known about it. It would be interesting to find out what their opinion is of this, once they find out it even took place in the first place.

There are other regions in the province of Ontario. I wouldn't be terribly surprised to find that they're all watching this process very carefully and they're all going to want their own bill, once Bill 186 passes, and it's quite obvious it's going to because the government's doing all it can to ram it through—and I use the term very accurately, in my opinion. If one municipality can control what goes on in the region, then why wouldn't any of the other large municipalities in any of the other regions want the same control? I suspect that Bill 186 will be the start of a flood of requests from other municipalities and other regions to start doing the same thing.

When this process started, the mayor of Mississauga wanted out. Then she decided she wanted two additional seats on regional council. Justice Adams, in his wisdom, gave the city of Mississauga its two seats. She was quite fine with that until she found out that Brampton was getting five. All of a sudden, the agreement that the three mayors had wasn't so agreeable to the mayor of Mississauga any more.

This is the second public hearing that I have been sort of involved in. This is the first time I've had an occasion

to speak. The last one was Bill 132. I'm sure the people in front of me all know what Bill 132 is. For the people behind me who don't, it was the very flawed pit bull legislation, also rammed through the Legislature by the current government. And gentlemen, I stress "current" government. That bill received a lot of public attention and hours of public hearings. The majority of the input of the public in that bill was ignored, and there is little doubt in my mind, other than the fact that I'll walk out of this room today with the personal satisfaction of having spoken my mind, that I'm going to be ignored when Bill 186 comes up for the third vote.

To pass this legislation flaunts the power of the government and the power of the mayor of Mississauga, or at least the perceived power of the mayor of Mississauga, in the face of all citizens of the town of Caledon and the city of Brampton. I suppose we should have been prepared for this when we looked at the three mayors attending Queen's Park this week. Premier McGuinty found it fitting to go up and give Mayor McCallion a hug and a kiss on the cheek but walked by the mayors of Brampton and Caledon like they weren't even there. I think we know where he stands.

1120

Over the course of the region of Peel—and now I'm going to have to bore you with some numbers—there have been some 6,000 votes taken at council. Less than 100 of those votes were recorded votes and, of those less than 100 votes that were recorded, the city of Mississauga lost one when the town of Caledon and the city of Brampton voted against the city of Mississauga. By the same token, the city of Brampton lost one vote when the town of Caledon voted with the city of Mississauga to turn down that particular motion.

It would seem to me, then, that the region of Peel is working just fine. It's working the way Mr. Davis thought it would work when it was brought in in 1974, and it's working fine up until this point in time when the city of Mississauga, and particularly the mayor, have decided to handcuff the regional council by not allowing them to operate when she decides she and her councillors are going to walk out of the room.

The new regional building will add on to the current regional building and will also include a new police division, which is badly needed, because currently, if you don't know—and you should—the division is operating out of mobile trailers in their parking lot because they don't have sufficient space. The cost of this building over the delays caused by Mayor McCallion and her council have gone up some \$3-odd million. I would respectfully suggest that maybe the city of Mississauga might want to foot part of that bill for their delays.

I suspect my time is coming down, so I'm going to close with one further thought. Mr. Duguid, I have no idea where you're getting your numbers. The population of Mississauga in 2004 was 689,000. They currently have nine regional councillors, which gives them an average population, by ward, of 76,555. The population of the city of Brampton in 2004 was 380,000. They have five

current regional councillors. That gives them an average population of 76,000. If you think that this exercise is worth 555 people, you folks are so badly out of touch with reality, it's scary.

The numbers I have got here for the city of Brampton show that the population for the city of Brampton will be about 412,500. Those numbers come from an organization called Hemson Consulting. I suspect the provincial government knows this group because that's the group that got your numbers for you for your Places to Grow document. You might want to pay attention to what your people are giving you when you hire them.

By the same token, my tax dollars are being wasted today. My tax dollars have been wasted by the Adams report, because there is no doubt in my mind that Justice Adams didn't do it for nothing. He got paid; he got ignored. If he's so darn good at what he does, and he was appointed by the government, they should be paying attention to what their facilitator said.

If I go any further, I'm going to say something I'm going to regret; so, Mr. Hoy, I'm done.

The Chair: Thank you. We really don't have—

Interruption.

The Chair: Order, please. We really don't have time for questions. You were nearly completed. I appreciate—

Mr. Chaddock: That's very unfortunate, but probably good. Thank you.

CITY OF BRAMPTON

The Chair: Elaine Moore, would you please come forward. Good morning. You have 10 minutes—

Ms. Elaine Moore: Good morning, Mr. Chairman and—

The Chair: I feel compelled to tell you this. I know you've been sitting there, but you have 10 minutes for your presentation. You may allow for questions within that 10 minutes if you wish. I ask you identify yourself for the purpose of Hansard.

Ms. Moore: Thank you, I'm a pretty quick study. Mr. Chairman and members of the committee, my name is Elaine Moore. I am a regional councillor for wards 1 and 5 in the city of Brampton in the wonderful region of Peel. I am joined here this morning by my colleague on Brampton city council Garnett Manning, who represents wards 9 and 10.

I appreciate the opportunity to speak to you today because this is the first opportunity that I, as an elected representative, have had to participate in any discussion regarding representation at Peel regional council. I have not had the opportunity to discuss or debate this issue where it appropriately belongs, at the council table of the region of Peel. I did not have the opportunity to participate in the many hours of negotiation and discussion through the facilitation process ordered by the government and headed up by the highly reputable and esteemed Judge George Adams. When I have not had an opportunity to participate effectively, the almost 79,000 residents I represent at the regional council table have not

had a voice on this matter, and you need to know that my residents, my constituents, are hopping mad about this.

By way of background—I apologize that some of this will be repetitive—it's important for the committee to understand that I represent approximately 78,750 taxpayers at the Peel regional council table, and I want to assure you that my constituency is very much representative of the city of Brampton in terms of the number of citizens each regional councillor represents. As a matter of fact, my constituency is one of the smaller in number, due to Brampton council's recognition that wards 1 and 5 encompass our downtown core, an active and increasingly vibrant priority for the city of Brampton. Most of our regional councillors represent over 80,000 Brampton residents.

In sharp contrast, regional councillors in Mississauga currently represent on average 71,000 citizens. What should be abundantly clear to you is that representation by population does exist between Brampton and Mississauga today. For all intents and purposes, each of us represents roughly the same number of citizens at the regional council table.

It should be of no surprise to you, then, that I want to speak to you about the perceived inequity Mississauga has put forward as the impetus for their need for increased representation on Peel regional council which, we all know, was a fall-back position to secession.

The facts are quite simply this: Mississauga has two wards, ward 1 and ward 2, both located in the southern half of their city, whose citizens are by comparison significantly over-represented at Peel regional council. Ward 1, according to Mississauga's published population data, has a total of 44,400 residents. Ward 2, again according to Mississauga's published population data, has a total of 49,900 residents. However, in the northern part of the city of Mississauga, there are two wards which are grossly and unfairly under-represented: ward 6 with 119,000 residents, and ward 9 with 107,000 residents. The balance of the city of Mississauga's wards have, therefore, on average 70,800 residents per regional councillor representative.

The issue, therefore, is not that they require additional representatives. The issue is that they need to do their homework and balance their existing population more equitably among the elected representatives they currently have.

Surely you recognize that there is, and always has been, a very simple solution to Mississauga's problem. I want to be perfectly clear: This is Mississauga's problem. As a representative for Brampton, I resent the fact that Mississauga has deflected their responsibility to get their own house in order by pointing to the representation in Brampton and their representation on Peel regional council as the solution to their problem.

I will be the first to acknowledge that realigning ward boundaries is not a pleasant exercise, but it is a necessary exercise, particularly when there is a situation like the inequities that exist in Mississauga today. Sure, it means that some sitting members of Mississauga council may

have to compete for which ward they wish to run in, but the goal is to provide the best representation for residents, make some tough decisions and act responsibly; it is not to protect a sitting member's political future.

I know well of what I speak, because in Brampton we made the difficult decision to not only realign our boundaries, but to reduce the size of council by six members. Several of our sitting councillors faced challenges from other sitting members and a number lost their seats in the 2003 election.

Incidentally, we involved our citizens extensively in this downsizing and realigning exercise and the result was a model which positioned Brampton council for the day when our population would support all elected members going to regional council. Judge Adams recognized this significant achievement with his recommendations.

As an elected representative on Peel regional council, it is my responsibility as a member of that council to discuss, debate and approve a structure of representation. I want the opportunity to discuss and debate representation with the legislative authority that I have and the responsibility that I have under the Municipal Act. I want the opportunity to do my job.

Yesterday at Peel regional council, we brought to a conclusion many months of debate on whether or not to permit plastic bags in our region-wide organics program planned for a rollout in the spring of 2006. Waste management is our job, and we are doing it. If a member of Peel regional council showed up at Queen's Park and asked Dalton McGuinty to make a decision on whether or not Peel region should use plastic bags in their organics program, the Premier would justifiably tell us that waste management is a regional responsibility. Further, the Premier would tell us to go back to regional council and do our job.

1130

It is, therefore, mind-boggling to try and understand why the Premier didn't tell Mayor McCallion to go back to regional council and do her job when she showed up at his door with her governance issue. It is even more mind-boggling to try and understand why the Premier is pushing unacceptable legislation through at an unprecedented speed. Something is seriously wrong.

I don't mean to mix garbage and governance; I merely want to demonstrate for the committee how unnecessary it was for the Liberal government to introduce Bill 186. It wasn't their job; it was mine, along with my regional colleagues.

For the record, Mayor McCallion and Mayor Fennell voted to permit plastic, and Mayor Morrison voted against it.

I tell you this because members of Peel regional council work co-operatively and they always have. And if we had been given the opportunity to discuss representation where it belongs, at the Peel regional council table, we would have demonstrated once again that we can work co-operatively to do our job.

Bill 186—and trust me, Mr. Duguid, there is no beauty in this legislation—is unacceptable, seriously flawed and

an unnecessary piece of legislation. I would like to offer to the McGuinty government a suggestion to avoid the embarrassment that this legislation will undoubtedly cause them. I am asking that Premier McGuinty refer Judge George Adams's facilitation report to Peel regional council for discussion, debate and decision, a decision which will have full public consultation with the residents in the region of Peel. Let Peel regional council do their job, with full participation of all councillors.

Our three mayors and chair negotiated many intense hours with Judge Adams to reach an agreement. Referring this to the Peel regional council table will give all of us who were elected to the position of regional councillor an opportunity to represent our constituents in an open, consultative and democratic process.

I, along with my colleagues in Brampton, have every confidence that we can come to a resolution locally on governance, without unnecessary provincial legislation. Provincial interference has caused unnecessary strife among Peel's three partners.

I am a relative newcomer to Peel regional council, but I am not a newcomer to politics, and I will tell you that it is incredibly sad to see healthy and respectful political relationships around the council table become strained and divisive.

Premier McGuinty's willing interference in local governance is solely responsible for the poisonous climate that exists today at Peel regional council, and I strongly believe that Bill 186 will make things worse. Premier McGuinty needs to show some true leadership and withdraw Bill 186 in favour of letting Peel regional councillors do their job.

Finally, I want to say that the introduction of Bill 186 makes a mockery of the memorandum of understanding that you signed with the Association of Municipalities of Ontario just last year, whereby your government committed to consulting with municipalities prior to introducing changes that will affect them.

Thank you very much for your attention today.

The Chair: Thank you.

Interruption.

The Chair: Order, please.

Caledon Chamber of Commerce, would you please come forward?

Ms. Moore: I'm done? No time for questions?

The Chair: No.

CALEDON CHAMBER OF COMMERCE

The Chair: Good morning. You have 10 minutes for your presentation. You may allow time within that 10 minutes, if you wish, for questioning. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Philip Armstrong: I'm Philip Armstrong, from the town of Caledon. Before I get right into my presentation, let me just say I'm a farmer; we have a dairy farm and cash crop in the town of Caledon. I was very disappointed yesterday to get a phone call that said—I

should say disappointed about the short notice; appreciative that we're finally having a public consultation. On a perfect seeding day, I'm sitting here. When I get home, I have to get planting. I apologize for how short I am in my presentation. We supported the people who have spoken before who have a lot more of the details. The general points are what I'm bringing here today.

I'm representing the 400 members of our business organization to once again stand before a committee of this government—we did it for the greenbelt legislation. We're expressing our deep disappointment in this government's actions to proceed with Bill 186.

You're finally asking for public comment on a very critical issue to the people in the region of Peel, an issue that only a few short weeks ago, during the by-election in Caledon-Dufferin, your government denied existed. Bob Duncanson, the Liberal candidate, was there. This was a concern, and we were there. We asked him directly. He had talked to the Premier, and he said, "Absolutely not. This is just not an issue." At that time, I said, "Well, why doesn't the government announce that right now? In a by-election, that would certainly help your position that that would be off the table." He didn't know why it wasn't, but he said he had talked to him, and it wasn't an issue. Apparently, it is an issue.

We value process in a democracy. The standards of transparency, accountability and fairness are expected and appropriate. Absence of these standards is inappropriate.

We are here to echo the comments of Mayor Morrison and to support the position of the Brampton Board of Trade. Our message is simple: We do not support changes to the municipal representation of the region of Peel. We urge you to revisit the findings of the Adams report. This report was thoughtfully and appropriately written and delivered at the request of the government. Report back to the province that the region of Peel is a functioning, fiscally responsible governance system that serves its citizens well.

We trust you will take this message back to the government and take the proper amount of time to review the submissions. Everything's proceeding so fast that I have concerns. Government sometimes listens, but they get on a track and they feel embarrassed to switch directions. But sometimes, in business and things like that, when we make a mistake, we make adjustments and we move on. We just want to make sure that the committee has the ability to hear the submissions here today, to take them back to the government and to make adjustments for the concerns.

I've got a couple of other comments to make here. The town of Caledon makes up 50% of the region of Peel by land mass. Seventy-five per cent of the town of Caledon is greenbelt, Oak Ridges moraine or the Niagara Escarpment. This is protected land that can never be developed. The government's trying to keep everything off it. You've got streams, roads, bridges and everything like that. There's a lot of infrastructure there. How is that going to be maintained? That takes money. Are we going

to have to accelerate development in the town of Caledon a lot quicker to support that, or do we rely on Mississauga and Brampton to help support the town of Caledon, to keep that heritage and those important things: the greenbelt, the Oak Ridges moraine and the escarpment? It's something we need to look at.

The town of Caledon, because it doesn't have a lot of development, cannot support this whole thing on its own. If it's meant to—that may be the final outcome of this, because the first step is control, the next step may be getting out and then maybe disintegration of the region of Peel—how do we support all that stuff on our own? That means we're going to have to speed up development, develop all the agricultural land that's left there, in order to support that. I don't think that's what the government wants. I think they want farming and agriculture to remain, and to have responsible growth in that area.

The election of the chair in the governance proposed by the government in the region of Peel: I've got a concern. I heard someone say, "We expect consensus." If we had consensus in everything, we wouldn't need government. We wouldn't need rules. We could all get along. Why would we want all this stuff? I don't accept that. You build rules for the worst-case scenario. You'll likely never go there, but at least you'll have the rules in place if you ever get there: This is what happens and everyone feels comfortable. If you don't build the rules for that, we're going to head down the wrong path and create other problems down the road. We always create for the worst-case scenario. Most likely we'll never get there, most likely we'll have consensus and we'll have a chair, but do you know what? Maybe not. So let's figure out the rules for that.

1140

I think I'll conclude there. But I have one question and I'll ask it of everyone here: Is this a fait accompli, or is our input going to do something and are changes going to happen?

The Chair: Thank you. We have about one minute per caucus and we begin this rotation with the government side.

Mr. Duguid: Yes, I can assure you that we'll be reviewing all the submissions and there will be an opportunity for all parties to propose amendments to the legislation when we go to clause-by-clause.

One thing I would bring very quickly to your attention: Caledon, making up 4.8% of the population, currently has 22.7% of the representation on regional council. Some time ago, the government and the Premier said no to the suggestion of any kind of destabilization or breaking down of the system in terms of Mississauga going its own way. We did it primarily to protect the town of Caledon and the city of Brampton. We've also protected Caledon's representation on council, maintaining five members, which is way out of proportion to their population. Is that not something that you would be applauding rather than criticizing?

Mr. Armstrong: I think what's made the region of Peel one of the best municipalities in the world, prob-

ably—and we look at the credit rating of the region of Peel and the planning that's gone forward—is the checks and balances and the balance of power. Caledon has more representation per population than anywhere else, but look at Canada and how it is: PEI has a lot more representation than population.

But getting back to the town of Caledon, we have 56% of the land mass—larger areas—dealing with the moraine, the escarpment, the greenbelt, aggregate, all these different issues. Sure, we don't have just people, but there's a lot of other issues that become involved and it takes time and effort, and we have all the people issues that come along with everything else. Do we have better rep by pop? Yes, we do. Do we probably have more issues on our table than a lot of others? Yes, we do. We've got more things that we have to look at. But I think the critical thing is, keeping the balance of power in that flux so that no one municipality can have the upper hand.

Mr. Duguid: That's what this bill does.

Mr. Armstrong: It doesn't really, because it gives Mississauga 50%—

Mr. Duguid: It's 48%, actually.

The Chair: Thank you. We'll now go to the official opposition.

Mr. Hudak: Thanks very much for the presentation. I didn't mean to laugh at the parliamentary assistant's comment, "Are you happy that Caledon's representation stayed the same?" but it's like saying they gave Brampton two shots, they gave you one shot, and you've got to be happy for that. The reality is that Caledon's seats, as well as the proportion of council, go down in this bill, as do Brampton's. So, Mr. Duguid, I don't think they're happy that they've been slapped down, as Brampton has.

Mayor Fennell made an outstanding presentation, as well as Mayor Morrison. She pointed out that each regional councillor has an average ward size of 76,000 in Brampton and 76,500 in Mississauga. That's her depiction. They're practically the same, which destroys the government's only argument about representation by population. If the rep by pop argument is out the window, why do you think they're doing this?

Mr. Armstrong: That's been my question. When I'm sitting on the tractor or milking cows, I'm going, "What's the political upside to this?" It just doesn't make sense to me. We've got a municipality that's working very well. Even the Tories didn't touch it the last time because it was working very well. Why wreck something that's working well? I can't see the political upside. I don't see the political upside to it, I don't see an upside fiscally for the region of Peel, so I don't know. I'd like to know why the government is doing it.

The Chair: Now we'll move to the NDP and Mr. Prue.

Mr. Prue: You asked the government if this is a fait accompli. I would be so happy if the answer was no, but you must know, you must feel in your own heart, that the way this has been rushed through, the way the committee has been stacked, the way the government has not

listened to any arguments, the way the government was not even going to allow the committee to hear extended hearings over the summer—and this is what I'm asking—you have to believe that this is all foregone. I hope I'm wrong. Is that not the way it's perceived by the chamber of commerce and the people you talk to about this?

Mr. Armstrong: That's certainly the way it's perceived, and the way it's been rammed down our throats. But I'm an optimistic person. Most people who know me—I see the good in everybody.

Mr. Prue: I think that comes from being a farmer, because you put the seed in and you hope it grows, right?

Mr. Armstrong: That's right. I see the good in everyone. I try not to have any enemies. I always like to see the good side of everybody. Even though I think it looks like it's a fait accompli, I trust in the integrity of the people around this table, who will listen to things and really seriously think, "Is this the right thing to do? Is it necessary?" They should be able to step away from whoever is making these higher decisions and say, "No, it's not." What's working is working.

The Chair: Thank you for your presentation.

BRAMPTON BOARD OF TRADE

The Chair: I call on the Brampton Board of Trade to come forward, please. Good morning. You have 10 minutes for your presentation. You may choose to leave time within that 10 minutes, if you wish, for questioning. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Carman McClelland: My name is Carman McClelland. I am here in my capacity as vice-president of policy for the Brampton Board of Trade.

Protocol and courtesy would dictate that at the outset I should thank you for the opportunity you've given the Brampton Board of Trade to present on Bill 186 regarding municipal governance and the composition of the council in the region of Peel. While, at the outset, I do thank you on behalf of the board, I would be less than forthright if I didn't express my dismay, particularly to the government members to my left—and not to be too personal, but one in particular—at this 11th-hour, post-second reading, hastily crafted public consultation, which in my view, together with the weighting of the committee, is demonstrative of the worst transparent political manoeuvring we've seen in a long time. Then you ask yourselves the question, why are people cynical about government?

The Brampton Board of Trade is a local not-for-profit business association. We have been in existence for 118 years. We represent close to 1,200 businesses and organizations in the community. Those businesses employ more than 35,000 people. We advocate on behalf of our members, primarily and principally the Brampton business community.

I suspect that what I'm going to say you have had said before you today and at other times. I also suspect, quite

frankly, as my colleagues do—with reason, I think—that you're not listening and, unhappily, I would say to my predecessor, don't hold your hopes up too high. I know how this government works. I've been watching it with great interest.

The Brampton Board of Trade has been involved in the debate regarding municipal governance in the region at least since the late 1990s when the previous provincial government explored municipal restructuring. At that time, we clearly articulated to the provincial government our organization's support for retaining the two-tiered system in the region of Peel that has, in an exemplary and cost-efficient manner, served the citizens of this region well for over 30 years. We reaffirm our support for that two-tiered system of municipal governance in the region of Peel.

Today we want to convey our business association's deep disappointment with how the provincial government has mismanaged this matter throughout and how it is proceeding with what seems like an almost obsessive need to make changes to the composition of the region of Peel.

The Brampton Board of Trade is firstly disappointed in how the provincial government has essentially created this divisive issue where there was none. This government previously, clearly and unequivocally, articulated that municipal restructuring was not on its agenda. On a personal note, I might add it's yet another in the litany of "Say one thing and do another thing," which this government has become famous for and which has now become the identifying feature of the McGuinty government.

The status quo had produced what is recognized as one of the best-managed municipal governments in Ontario and Canada. From the time the current government opened the door on this matter to date, a substantial amount of political energy, valuable public service time and financial resources have been unnecessarily diverted to this issue, and it has frustrated and interfered with important decisions that need to be made at the region.

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Bill 186 will only serve to continue to exacerbate these issues; it will not resolve them. The legislation in its current form is not a solution. It has the potential to create a significant problem where there was essentially no problem.

Imagine then, if you can, our further disappointment that the provincial government, having set out to find, I can only imagine in trust, an improvement to what in most accounts wasn't heretofore broken, has apparently chosen to ignore the sound, independent and expert recommendations included in the Adams report relating to the region's composition, recommendations that the government sought from the person I presume the government thought was best able to provide those recommendations. I would hope that was the reason he was chosen. His reputation is stellar.

The board's position is in support of the recommendations set out in Justice Adams's report and is well documented with the Premier's office and the offices of

our three Liberal MPPs, who have each, you all know, expressed their opposition to this bill.

It is our firmly held opinion that the Adams recommendations recognize the proactive efforts that Brampton council made to restructure its municipal council to meet the future needs of the city and, equally important, its participation in the region of Peel. The recommendation to provide Brampton with five additional regional seats and Mississauga two meets the request of Mississauga to have the two additional seats that they have been seeking. The five additional seats for Brampton, within the context of the Adams report, were well suited to having all of Brampton's 10 councillors serve at both the municipal and regional levels. Those recommendations also recognize Brampton's large and growing population and, overall, provide an ideal model that will achieve and continue to achieve fair and equitable representation down the road for all three municipalities. Bill 186 in its current form does not do that. It misses the mark.

We understand that some in the city of Mississauga see Bill 186 and the tipping of the balance toward the city of Mississauga as a first step toward the dismantling of the region, which has always been the agenda by some members—tell it as it is—particularly the member on the council who is also the mayor. Mississauga has benefited significantly from infrastructure projects coordinated and built through our regional government. The residents of Brampton and Caledon have contributed significantly to those projects over the past 30 years to help meet the needs Mississauga had during that exponential growth period it went through.

With Brampton's rapid growth, our city is now expected to continue to receive a growing share of regional infrastructure projects and expenditures in the coming years. Many of those include important road projects that will help alleviate traffic gridlock throughout our city and throughout the region. That's the way it should be. It's fair, it's equitable, it's back in balance. Brampton and Caledon helped Mississauga to grow into the vibrant city that it is today, and Mississauga should be doing the same and reciprocate.

Mr. Duguid will doubtless ask questions and get back to the rep by pop, and I want to speak to this, because frankly, sir, you just don't get it. Actually, I think you do get it. You're a clever man. You've been in municipal government. You understand what's happening. You choose not to get it, and I know why.

In the next 10 to 15 years, Brampton's population will also approach 680,000 people. Representation at the regional council must consider the future growth projections, not just the relative population numbers today, which Mr. Chaddock at least got right. Bill 186 does not, and surely at the very best—at the very least—an amendment to correct this blatant flaw should be incorporated into the legislation.

I reiterate the oft-mentioned principle you've heard from a number of sources that working in harmony and working on consensus ought to be the fundamental underlying cornerstone of the way the region works. We

trusted that our provincial government would have followed the recommendations of the facilitator it appointed. I respectfully submit that the minister's and the parliamentary assistant's repeated statements that the bill addresses representation by population and thus improves upon the recommendation are indefensible on their face.

For the provincial government to suggest, as it does with Bill 186, that Brampton only receive one additional regional seat and Mississauga the two that they have requested is, in our view, at best irresponsible, out of touch with reality, and certainly out of touch with what is happening in the city, and has no recognition of the dynamic that has been taking place and absolutely will continue to take place at the regional government.

Simply from a practical point of view, it creates a potential problem. I would suggest that within the current political climate it almost begs for a problem with respect to the selection of the chair. If a deadlock occurs—and Mr. Connor spoke to it, and if I were inclined to bet, I'd give you great odds that a deadlock will occur—the region will almost certainly become, or at the very least appear to become, dysfunctional and the government of the day will be sure to hear cries, doubtless from a few kilometres to the south, for the dismantling of the region.

Absent a rectifying amendment, by its glaring failure to provide a solution for a predictable problem, this legislation is virtually going to ensure that what the current government said was not on the agenda—that is, the dismantling of the region—will become one of the unavoidable hot issues of the day. This legislation does not contemplate or provide a mechanism to deal with that issue. The fact that two of the three mayors in the region of Peel, Brampton and Caledon, and all three of your caucus's MPPs in Brampton, two of whose ridings include Mississauga, oppose this legislation should send you a strong message that this legislation is at best flawed, if not totally indefensible.

The issue of restructuring governance is very complicated and has many implications for this community and the region. Judge Adams, who was appointed to review the matter in detail, acknowledged this and in the end provided very strong, fair, balanced, appropriate recommendations. The government needs to understand these implications as well, and while the issues surrounding restructuring may be complex, His Honour's recommendations and solutions are not complex. We trust that if the time was taken to review his report again, and it was taken and understood in its entirety—not selectively and in a self-serving fashion—the provincial government would do what is right and withdraw Bill 186 or, at the very least, table some reasonable amendments to rectify what from our city's business community's perspective are its glaring flaws.

This government has options. The simplest one I know is to go through this exercise. Harken to the sound advice given by Councillor Moore. Don't stay the course and drive this legislation through as is. You have other options. One of them is to show true leadership and wisdom. Carefully, objectively, honestly take a sober

second look. Be courageous enough to stand up and not bend to political threats both within government and without. Do the right thing. At the very least, introduce amendments that will in fact provide the legislative framework for the continued viability of and effective governance within the region of Peel.

Thank you for your indulgence.

The Chair: Thank you for your presentation. There is no time for questions.

If Robert Filkin could please come forward—

Mr. McClelland: Thank you, Mr. Chairman. It's good to see you again. I'm sorry it's under these unhappy circumstances, from our point of view. Have a good day.

Mr. Hudak: Chair, if I could comment between the presentations. First, for the record, to Mr. McClelland, thank you for being here, not only as an active member of the community and from the board of trade, but also, as members know, as a member of provincial Parliament for Brampton North through the late 1980s and 1990s.

The Chair: That's not a point of order.

Mr. Hudak: No, Chair, it's part of debate just to recognize that, which I think brings considerable—

The Chair: There is no debate. I've called the next witness.

Mr. Hudak: Out of respect for a former member, I'm simply introducing him. I don't see—

Interjection.

Mr. Hudak: You bet. Secondly, if I could speak to the parliamentary assistant, Mr. McClelland and others have brought up the Adams report. They're concerned it's being ignored. If the parliamentary assistant could get back to us by Tuesday with the cost of the Adams report—how much that cost the taxpayer.

Mr. Duguid: I'm glad to have this opportunity to respond to that. I don't know if we could get the cost of that quickly. I'm not aware of where they're at terms of accounting, but it's a possibility.

I would note, though, that it looks like the Leader of the Opposition left after the second or third deputant. I think that's unfortunate, because he has yet to take a position on any of this stuff, for or against. I was hoping he'd be here today so that we would hear from him. Where does he stand on this? He's against the bill, but he's not telling us what he—

The Chair: You're entering into a debate. It is not part of the bill at all.

ROBERT FILKIN

The Chair: I would ask for our next presenter, and inform you that you have 10 minutes for your presentation. You may allow time within that 10 minutes for questioning if you wish. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Robert Filkin: My name is Robert Filkin. I'm a resident of Brampton and a lawyer practising in Brampton. I grew up in Mississauga and, as Mr. Chaddock was speaking, I was quickly making notes. I have lived and worked in Mississauga, lived and worked in Brampton

and lived in Brampton and worked in Mississauga. I think I got them all.

Before the 2003 municipal election, the city of Brampton established a governance restructuring committee, and I was appointed as a citizen representative to that committee. We spent the best part of two years and a great deal of time and money to determine what was the best governance structure for Brampton. The ward boundaries were changed and councillors were reduced to 10: five city, five regional—tough decisions for a council to make, but they were done. All of these decisions were mindful of the necessity to fit within the structure of the governance of the regional municipality of Peel, both then and in the future.

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As Councillor Moore pointed out, the eventual hope of the city of Brampton and its restructuring plans was that there would be five additional regional councillors. This legislation, as it's proposed, throws all that out the window. This bill either requires Brampton to redo its council, redo its wards, do it all again, ignore all the research and learning that went into it and showed them that they did it right the first time, or, as some bright lights suggest in section 1(4)2(ii) in the proposed legislation, you simply elect the sixth person from across the whole of the city to represent 450,000-plus people.

The next problem, as I perceive it, is what this legislation has done to the facilitation process. There was a problem in Peel; everyone recognized that. Mississauga wanted out of the region. The province, in its wisdom, said to Mississauga, Brampton, Caledon and the region, "Get together. Try to come up with a solution." The province appointed a facilitator to help that process, the Honourable George Adams. Mayor McCallion of Mississauga, Mayor Fennell of Brampton, Mayor Morrison of Caledon, and the chair of the region, Emil Kolb, got together. They all aired their differences, they found their common interests, they rolled up their sleeves and they came up with a solution. I didn't think it was possible, but they did it.

The facilitation report is not a commission report. It is not a series of independent recommendations.

I would like to read to you just one line from Justice Adams's report: "There was a thorough airing of concerns which revealed both significant differences and common interests. While at the outset of these talks, the differences appeared to be overwhelming the common interests, the good faith discussion which followed allows me to report that a substantial consensus may be forged around the ideas set out below."

That's the key that seems to have been missed. It was a consensus. It was a solution that all of the area municipalities in the region felt would work for all of the more than one million people in Peel.

The facilitation report deals with a number of things, but in the area of representation, there is one recommendation—only one. It has three parts: Give Mississauga two new regional representatives that it needs to move forward with its governance; give Brampton five

new regional representatives with weighted voting; Caledon is to retain its five representatives. That recommendation works for Mississauga, it works for Brampton, it works for Caledon and it works for the region.

What has the province done with that recommendation in this proposed legislation? It has ignored it. The government is saying the proposed legislation is implementing part of the recommendation. You can't implement part of a recommendation. It won't work.

Give Mississauga its two new representatives to allow it to move forward. I have no problem with that, but implement the whole of the recommendation so that the people in Brampton and Caledon can move forward as well.

Lastly, I would like to comment on what the proposed legislation does in its current form. I'll give you an example: If, in the last provincial election, 50% of the representatives were Liberals, 25% were Conservatives and 25% were NDP, we'd have what we all know as a minority government, and as we all know, it doesn't work. The government of Ontario would not be able to move forward with the work that it needs to do. It might survive for a little while, but it will fail, and there will have to be another election.

What this legislation does is create the equivalent of a minority government without the ability to fix it with another election. Mississauga can block Brampton and Caledon, Brampton and Caledon can block Mississauga, and the region will cease to function. It will fail, as every minority government does. If that is what the province wanted, if it wants to dismantle the region and have someone else to blame, then this bill is brilliant. It is a blueprint for the demise of the region of Peel. I don't believe that to be the case. I prefer to think that the legislation is simply flawed.

When Minister Gerretsen introduced Bill 186, he commented that the region of Peel "has been one of Ontario's most effective and efficient regions." The ministry's press release, at the time of the introduction of the bill, stated that Peel was the first municipality in Canada to achieve the silver level in the National Quality Institute Awards for Excellence and the first government in Canada to be certified at level three in the institute's progressive excellence program. Why would the government of Ontario possibly want to set that government up to fail?

In conclusion, Bill 186, in its proposed form, does three things: It throws out all the work that Brampton did in its governance restructuring; it throws out the facilitated recommendation of the mayors of Mississauga, Brampton, Caledon and the chair of the region, and it sets the region of Peel up for failure.

I ask that the government not pass the legislation in its current form. As Mr. McClelland, the previous speaker, stated, have the courage to send it back and adopt the facilitated consensus recommendations in the Adams report in its entirety. Allow the region of Peel to continue to be the effective and efficient government that it has been and can continue to be. Thank you.

The Chair: Thank you. We have about a minute per caucus. In this rotation, we'll begin with the official opposition.

Mr. Hudak: Thank you, Mr. Filkin, for the presentation. While I'd like to get to a question for you, I do want to respond to the parliamentary assistant and not take up too much time.

A simple question as to whether you would table the cost of the Adams report—you avoided my question and went on a tirade about John Tory and where he stands on the issue. Well, sir, Mr. Duguid, the record will show—and you were in the House when John Tory and the Conservative caucus stood up and voted against this legislation. You, sir, were there, you saw that, and for you to suggest something different is misleading the people who are here in this room.

Furthermore, you've been provided with Hansard debate—

Mr. Duguid: Where does he stand? What would he do? What does he want to do?

The Chair: Order.

Mr. Duguid: Just tell us. You haven't answered my question.

Mr. Hudak: If I could finish, Mr. Chair. Mr. Tory also said in the House that what you do is you start out by doing what you said you were going to do, be straightforward and consistent, not flip-flop on the issue, like Dalton McGuinty did several times. He also said that you will not impose a solution to a problem like this without engaging in meaningful consultation, that only as an absolute last resort would you ever come in and do something. In this case, it's being done as a first resort.

So to say something different, Mr. Duguid, is misleading the people here in this room. You know very well that we voted against this bill. It's regrettable—

Mr. Duguid: What's misleading is riding the fence, Mr. Hudak, and that's what your leader is doing.

The Chair: You'll have to watch your parliamentary language, Mr. Hudak. You're not to respond to him at this time.

We'll move now to the NDP.

Interjections.

The Chair: Order.

Mr. Prue: I don't want to really enter the debate, but I think it's quite clear where the NDP has stood on this from the beginning. We are opposed to this legislation. We think that this is acting in exactly the same way as what happened to other municipalities under the previous government. They're just coming down gangbusters, they're doing it so fast, they're not giving a chance.

I'm curious as to how you see—you've described in pretty dismal terms the long-term prospects for the regional municipality of Peel if this goes ahead: a deadlock; you liken it to a minority government. Is this bill in any way retrievable, or should it be simply withdrawn? I lean to the latter—I don't think it's retrievable—but what's your opinion? Is it better to withdraw the bill and leave the status quo, or is it better to amend the bill somehow to try to make it work?

Mr. Filkin: My personal feeling would be that the bill should be withdrawn. Councillor Moore suggested that the matter be referred to regional council. I think the consensus recommendation that was achieved in the Adams report should go back to all of the area municipalities and to the region for further debate. That's the procedure that is set out in the Municipal Act, and that's what should be followed.

The Chair: Thank you. We'll move to the government.

Mr. Duguid: Thank you, Mr. Filkin, for your deputing. You said—and I want to thank you for acknowledging that there was indeed a problem in Peel and that everyone recognized it at the time. Mississauga wanted out of the region and there were boycotts of council meetings going on. So there were certainly problems. In fact, at the request of local representatives, that's what brought the government into this in the first place.

You indicated there was a consensus with the Adams report. We've heard reports of a consensus, but within 24 hours of the report being made known to the various mayors, we heard from one party that there was absolutely no consensus, that they were adamantly opposed to it. So from the government perspective the suggestion that there was a consensus is certainly not our take. Our view is that there has never been a consensus on this. Do you know something other than that?

Mr. Filkin: I wasn't in the meetings with Justice Adams when the facilitation was taking place, but my understanding from three of the four people who were is that there was a consensus.

The Chair: Thank you for your presentation.

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REGION OF PEEL

The Chair: I call on the region of Peel to come forward please.

Good afternoon. You have 20 minutes for your presentation. You may choose to leave time within those 20 minutes, if you wish, for questioning. I'd just ask you to state your name for the purposes of our recording Hansard.

Mr. Emil Kolb: Good morning to all of you. Tim and Michael, it's good to see you again. Brad and Tim, how are you? Peter and Bob, and I've never met you, Lorenzo. Pleased to meet you.

First of all, let me say thank you for allowing me to come here today and also for inviting me yesterday to the meeting. I didn't know that I was going to be the last speaker, but, as the chair, I often get the last chance or the last word.

I want to say first of all that I've lived in Caledon for 66 years. I was born out west. My dad came to this country in 1910 and moved to Ontario in 1937. I've spent some time of my life in the past few years working for the public and serving my community and the residents of Peel. I started off by being a member of the planning committee, which I was asked to join back in 1965. I was

asked to serve in 1970 for a member of council who had passed away. In 1973, I was asked by the local council of Caledon at that point, which was Elgin township, to run as the regional member for Albion and Caledon East at that time, and I did, and I've been successful ever since. I also was the mayor of Caledon for six years, and I've enjoyed serving the people of Peel as chair of the region of Peel for the last 14 years.

We've always had—it's always been my position that Peel regional government needs to have a vision of where to go. When I became Chair in 1991, the first thing I asked our CAO to do at that time was to create a vision for us and also a mission for us. Our vision in Peel is that Peel will be a healthy, vibrant and safe community that values its diversity and quality of life. To accomplish that vision, our mission statement is that the region of Peel shall serve its changing community through its leadership, partnership and commitment, and in a very excellent form. We were only 277,000 people in 1974 and we grew to 1.1 million by 2004, so I can say to you that we have not stood still in this region. We've accepted the immigration policies that the federal government has and we've provided infrastructure and housing and jobs for those people.

As the future development unfolds, it's important that the structure of Peel regional government helps us to deliver on our vision and our mission. We must have a regional government structure that serves all citizens within the region of Peel, just like you have been elected as members of the Ontario government to serve all residents of Ontario, not only the constituency that you represent.

The regional government structure needs to remind each elected member that what they are here to do is to make decisions that are for the greater good and in the best interests of Peel citizens as a whole, and even as a whole as the citizens of this great province that we have. Peel's current structure has been very, very effective over the last 30 years and, I want to say, has been very effective over 150 years, as we have been the county of Peel and the region of Peel. The only difference, really, was the change and the growth in this region, and that we were amalgamated from 10 municipalities into three, which may at some times look like a mistake today, but I think it was the right decision that was made in 1973.

I was at the very last meeting that was held by the county council, in order to set up how Peel was going to be. It was very interesting, this spring: I took out of a local newspaper a column that was from 40 years ago when Toronto township wanted to become a city. Also at that time, there was a lot of discussion at Peel council and the deputy reeve of Port Credit, John Plaus, said he hoped that regional council would support them because they, at that time, were 63% of the revenue coming to the county, even though they may not have been 63% of the population, and if Port Credit and Streetsville were allowed to be swallowed up in the new city it would raise their taxes by one third. Guess what happened? All of those municipalities became the city of Mississauga, and

I think it has worked well. So it does demonstrate that we're here to serve all people, not just one small community, and we must set our parochialism aside in order to do that.

Our success is anchored in our ability to reach consensus and make decisions which have reflected on the diversity and on the interests right across the region. I don't think that could have been explained any better than Councillor Moore did this morning.

I am pleased that the province has recognized that our two-tier structure in this country and this province works very well. It doesn't matter whether you talk of it as the regional government or if you talk of it as a county system; the principles are the same and the services are very, very much the same.

We need to maintain the effectiveness of this two-tier structure at council so that we can continue to fulfill our mission and serve the citizens of Peel. I'm not a lawyer and I don't have a BA like most of you around the table probably have, but I do know that there needs to be some clarity in Bill 186, and certainly around what I think the clarity of the regional chair's position is.

It's in everybody's best interest that there is certainty in the legislation that you are talking about passing. In terms of the future function of the role of the chair to continue effectively in council, greater clarity in the legislation on the following points certainly needed to be considered.

What is the term or the intent of the regional chair? I think it has been outlined this morning by people who are more versed in how to read the legislation and interpret the legislation that there is not clarity in Bill 186.

How might council address a deadlocked vote to appoint a chair? I know that wasn't done or able to be done in the last process. So it is something that you need to seriously address—how you're going to resolve that issue.

What are the voting rights of the chair in the event of a tie? Does the chair have two votes, does the chair have three votes, does the chair have one vote? I know the legislation today is very, very clear on how municipalities like ours work, with only the chair having a vote when there is a tie.

So I say to you, what is the interpretation of Bill 186 in regard to the head of council and how it applies to the chair?

The rules that we govern by need to be clear. Also, the old rules, I believe were fairly clear and it is a question of: Do they still apply?

A 150-year history of this two-tier government in Peel means that we did not stand still. We have continued and we have embraced changes, and we have been recognized for excellence in government and service delivery. Regional services continue to be delivered in a manner that is effective and efficient, and the hallmarks of regional government should be here to stay in that form.

The residents of Peel continue to have access to essential services regardless of where they live. The services that are included are water; sewers; police; ambulance,

which since has been downloaded and we've doubled in half again by budget; and public health, which is a very, very important issue across this service.

Do you have proactive programs only to be proactive in health in half of the region, or do you provide it to all of the region? Many of you are aware of the social services that we provide and the way Peel is trying to provide that, even though they're not getting as much out of the province as many others are, to compensate for that.

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I'm proud of the accomplishments that the region of Peel, both by council and staff, have gained in this region. Yes, it was my goal, when I was elected in 1991, to bring debt-free our region, and I believe that we have been successful in doing that by our council. We have maintained our AAA credit rating. We are the first municipality in any part of Canada to receive a level three Canadian national award, which I think is just tremendous when I look over the staff, what they have done and how they've delivered services.

Having served both as regional councillor and regional chair for 14 years, and the chair of the police service for 10 years, I believe that I can say very honestly that we have seen very effective decision-making and co-operation in the best interests of the citizens of Peel. We need to ensure that the integrity of our decision-making and consensus-building approach is strengthened and not weakened, so that we can continue to shape a healthy, vibrant and safe community for the future.

I just want to say that as I listened to the debate this morning, I wondered—and Dalton McGuinty has very ably made the point that the province of Ontario does not get a fair shake from the federal government because we probably pay somewhere around 46% of the revenue—do we have the same 46% of the representation in the federal government? I think you can do the adding yourself.

With that, I want to say thank you very much for inviting me and for giving me the opportunity to speak.

The Chair: Thank you. We have about two minutes per caucus, and we'll begin this rotation with the NDP.

Mr. Prue: During the course of the debate in the Legislature the other day, I quoted a memo from you, and there were some people who doubted the authenticity of that memo. I want to ask whether you sent it. It starts out:

"On Wednesday, June 30 at 6:30 p.m., I received a phone call from Ontario Premier Dalton McGuinty directly regarding the city of Mississauga's recommendation around governance restructuring." It goes on from there.

Do you recall writing that?

Mr. Kolb: Yes, sir.

Mr. Prue: Did that conversation take place?

Mr. Kolb: Yes, sir.

Mr. Prue: During that conversation, did he tell you that it was not his intention to restructure Peel?

Mr. Kolb: Yes, sir.

Mr. Prue: When did you first hear of the Liberals' plan to come down with this Bill 186 to give two seats to

Mississauga and one to Brampton? You're the regional chair. When was the first time you were informed this was going to happen?

Mr. Kolb: Well, I don't remember the exact date of when that had been, but I'm sure I got the information when the other three mayors got the same information.

I want to make it quite clear that I'm not opposed to additional representation in any community. We will grow about another 600,000 people in this region by the year 2030, and I believe that if there needs to be representation done by population—and I'm not going to get into the number game of whether you want to say 50,000 or 60,000—

Mr. Prue: No. I haven't asked anything at all.

Mr. Kolb: Then I think that should be done in the legislation so that we don't go through the same exercise we're going through right now.

So as Brampton will grow, as Mississauga will grow, and both of them will grow, if there's fairness and entitlement to their having more representation, then I think that should happen without this kind of a process. It should be written right into the legislation today. If you want to improve that in the legislation, then stop the fighting and the bickering and all the rest of the things that have happened. That's the way to do it.

The Chair: Thank you. We'll move to the government.

Mr. Duguid: Thank you, Chairman Kolb. Thank you so much for being here. Let me at this point compliment you on your incredible years of service to this region. The region has managed itself very, very well and it's won awards. I think there's nobody who's more responsible for that than yourself, so you certainly have our respect and esteem.

You said that regional governance structure should remind all representatives to make decisions in the best interests of entire communities and set parochial interests aside. I think that's one of the most astute comments made in all of the deputations we've heard so far, so I thank you for that. It's something that I hope we all take into consideration throughout this debate.

You expressed some concern about the deadlocked vote issue, and I've got two questions for you as a regional chair. Number one, do you see yourself, as a regional chair, having the capability of looking at the entire interests of the region, rather than a parochial view, whether it be Caledon, Brampton or Mississauga? Number two, would you find it somewhat uncomfortable for a chair to be elected in a region where one particular block is 100% opposed to your being chair and they're elected through some form of a flip of a coin, rather than having to reach a consensus among themselves that you're the best person for the job?

Mr. Kolb: Let me start off by saying that when I ran for chair 14 years ago, I ran under one condition: that I would try to bring this region into a debt-free municipality. It might be the only county or region that would be like that, but it was my goal to do that. I had nine people run against me. At that time, we had a different

election system and it took three hours to have the vote. I had 16 votes out of 21 at the very beginning. The other eight people had to be eliminated, so it was chaos if you didn't understand the system. After that, the system was changed so that if you had 51% of the vote, you were elected.

There is certainly that opportunity now that the system could be in a deadlock without a break. I think if the legislation clears that up, then everybody should have the same opportunity to run and not worry about whether it's half and half, because I believe if you're the right person, you can get elected.

I have always tried to take the interests of our region right across the table, and that's how I've made my decisions when I've been put in the position of a tie vote—and I've been put in those positions. I believe someone did check the record. Out of 9,000 votes, I think there were 90 recorded votes, and I've had to break a few ties over the years. I've always tried to do it in the best interest of what the region of Peel needs to do.

My concern is that what the Liberal government did—I believe there is speculation, and the speculation is probably somewhat true, that one person got to the Premier and convinced the Premier. The rumour was that they should never make Judge Adams's report available, that it should be squashed and it should never have been made available. That's pretty hard to do, and today I think you've found out yourselves, in government, that's pretty hard to do.

If one decision was wrong, my concern is that the rest of the seven decisions you people said you support—I was told yesterday there's a press release in the Mississauga News that still talks about how we destroy the rest of the region by breaking up principles that are right across this province which say everybody is taxed on the same fair ratio system. A \$300,000-assessed house in Caledon pays the same regional tax as a house in Mississauga pays. That's the kind of system you have to have for fairness. My concern is that you've adopted seven recommendations that don't allow the regional government to work in Peel, because the aggravation will still go on and on. We've always tried to make it cost-effective and efficient. Look at the financial statements and tell me we're not.

The Chair: Thank you. We must move now to the official opposition's questions.

Mr. Hudak: Thank you, Chairman Kolb, for the outstanding presentation. You're exactly right; the problem is when you get a facilitator's report, it's done as a whole, and if you start cherry-picking pieces out of it, it's very dangerous that the entire whole will collapse. I think from your extensive experience in politics, that's a point you're making back to Mr. Duguid.

A couple of quick questions for you—

Mr. Kolb: I know you're in a hurry but let me just quickly say there were some people who wanted an arbitrator rather than a facilitator. If this had been an arbitrator's report, where would we be today? Would we be in court because it was decided to take one decision of the arbitrator and the rest of them were decided not to be

taken? Look at the complications that would have created today.

Mr. Hudak: Good point. A quick question: Do you believe there is a risk, if this bill passes as is, that we'll have a deadlocked vote for regional chair in 2006? Does that risk exist?

Mr. Kolb: Sorry?

Mr. Hudak: Is there a risk that we could have a deadlocked council vote for regional chair in 2006 if this bill stands as it is?

Mr. Kolb: You can never say that you can't have. I know there are parts of Ontario where somebody has been chosen out of a hat by the clerk, because that's part of the Municipal Act. I know of one or two cases where that has happened. Can I say that will never happen here? No, I cannot.

Mr. Hudak: You have an excellent reputation, as Mr. Duguid had mentioned, for looking at the region of Peel as a whole, as opposed to parochial interests. Your interests are for the region as a whole. If this bill moves forward for a third reading vote without any substantial amendments, would your advice be to members of the committee to vote against this bill?

Mr. Kolb: I don't think you can walk away now and not find a solution to the representation issue. You've created so much issue now that I think you have to resolve it. As I said before, I'm supportive. Brampton is being used in the same way that Mississauga is being used, and it needs to be done across the board by number every time there's a rise in the population. So if it's fair for Mississauga to have 57,000 people, Brampton should have an average of 57,000 people. If Brampton should get two politicians in this term—I haven't done the numbers like you people have. If that's what the numbers say, then you should use everybody equally and you should use everybody fairly.

The Chair: Thank you. The committee is recessed.

The committee recessed from 1229 to 1314 and resumed in Salon D, Mississauga Convention Centre.

The Chair: The standing committee on finance and economic affairs will now come to order. We're here today for public hearings on Bill 186.

CITY OF MISSISSAUGA

The Chair: I call forward the city of Mississauga; Patricia Saito.

Good afternoon. You have 10 minutes for your presentation. You may leave time within that 10 minutes for questions, if you wish. I would ask you to identify yourself for the purposes of our recording Hansard.

Ms. Patricia Saito: Thank you, Mr. Chairman and members of the finance and economic affairs committee. My name is Pat Saito. I am the councillor for ward 9 in the city of Mississauga; I have been representing ward 9 for the past 14 years.

I'd like to thank you for giving me this opportunity today to present my position on Bill 186. I'm here today on behalf of my constituents to urge you to pass Bill 186 as quickly as possible.

With me in the audience today are representatives of the ratepayer associations in ward 9, who are also very supportive of the recommendations, particularly as they relate to representation in Bill 186.

I'm going to speak today on the representation issue only. Later on this afternoon, Mayor McCallion will give you details on the cost issues and will explain very fully how Mississauga has been funding all regional capital costs at 66% since 1974, so I'm not going to go into details on that.

Ward 9, which I represent, is one of the two largest wards in the city of Mississauga and has a current population of 100,000 people. The projected population is 130,000 people, very close to the size of a provincial or federal riding. In fact, we have about the same population as Prince Edward Island. If ward 9 were a city, based on the 2001 census numbers, it would be comparable in size to Kingston, Thunder Bay, Chatham-Kent, Guelph or Barrie. I can't imagine having only one politician representing those great cities.

Not only do my residents have only one representative, but I also represent four times as many people as the average regional councillor in the GTA, and that number is 29,000.

As a councillor at the region of Peel it's very frustrating for me, and has been for the last 14 years, to have one vote on behalf of my 100,000 residents, while the town of Caledon, with a total population of about half my ward, has five votes.

I've always been a very active member of regional council. I've served on numerous committees as chair and vice-chair, including budget, works, planning and others. I believe that my involvement over the years has contributed greatly to the success of Peel region; I don't think I'm overstating it when I say that. It's time, however, for representation at the region to be adjusted to more fairly reflect the population that exists today.

With the passing of Bill 186, my ward, along with ward 6, Mississauga will be divided to create districts that are more in line with the rest of the city and that are more manageable. While I regret having to lose part of the community I have represented for so long, my citizens deserve to have this additional representation at both the city and the region.

The opposition has spoken about not rushing this process and questioned what there is to lose by allowing time to make the process work. I think that having under-representation at the region for over three decades, having a 1991 OMB decision stating the need for a better representation ratio, having exponential growth in my ward over the past 10 years and having numerous residents tell me that they feel strongly about adding more wards to the city, speak volumes as to how slowly we actually have moved on this issue. Any further delays on this matter will force the citizens of Mississauga to continue to be under-represented at the region of Peel.

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I've also heard the arguments made by those who oppose this bill that the province should adopt all the recommendations made by the facilitator, Judge George

Adams. While I agree that Judge Adams is a very well respected expert at assessing and resolving disputes, he is also, by his own admission, not an expert in the field of municipal government. His recommendation on representation was clearly a way of trying to resolve what was a very uncomfortable issue based on a last-minute proposal by the mayor of Brampton. Mr. Adams recommended adding councillors in Brampton for a population that is not yet in place and that may never materialize. Never before has that been done, nor should it be. In my view, representation by population is a basic democratic principle and must be applied.

If the facilitator's recommendations were to be implemented in 2006, including the mayors, the city of Mississauga would have representation at the region of one per 58,458 people, Brampton one per 39,000 and Caledon one per 11,600. By 2009, Mississauga would have one per 59,700, Brampton one per 44,409 and Caledon one per 12,600. This is based on the region of Peel official plan population projections—not even close to representation by population.

Mississauga had made a suggestion for two additional representatives at the region for a total of 12. We also suggested that Brampton be given two for a total of eight, and that Caledon be reduced by one, for a total of four. This would result, in 2006, with Mississauga having one representative per 58,000, Brampton one per 53,000 and Caledon one per 14,500.

While the province did not adopt this recommendation, Bill 186 comes closer to achieving fairness for our citizens. On behalf of my citizens, I am therefore urging the province to adopt this legislation to increase Peel regional council by adding two additional Mississauga councillors and one additional Brampton councillor.

In closing, I'd like to thank you for the opportunity to share with you the very real concerns in my ward, and I look forward to Bill 186 being passed as quickly as possible. Fairness is long overdue for the citizens of Mississauga. You have an opportunity to rectify that, and I would urge you to do it as soon as possible. Thank you very much, and I'll answer any questions you may have.

Interruption.

The Chair: Order, please. We'll begin with the government in this rotation. We have about a minute for each caucus.

Mr. Duguid: I listened carefully to your presentation. I want to thank you, Councillor Saito, for the good work you're doing in Mississauga and for your presentation here today. You talked a little bit about the representation issue.

I've got to admit I'm a little disappointed that the Leader of the Opposition joined us this morning in Brampton, but he doesn't seem to want to come to Mississauga to join us, which concerns me greatly, because he has yet to take a position on this. Do you believe that it's incumbent on all parties to indicate what they would do or wouldn't do—rather than just oppose, to give us a constructive idea as to what they support and don't support?

Ms. Saito: I believe it's incumbent on the members of all the parties to not make this a party issue. It's not a party issue. It's a representation issue of our citizens, and our citizens support various parties in the city of Mississauga. I also think it's very incumbent on all members who are voting on it to have all the facts, and I don't think that is the case.

The Chair: We'll move to the official opposition.

Mr. Hudak: Councillor, thank you very much for the presentation. Mr. Duguid started out by descending into partisanship from the very first hearing here in Mississauga. I think Mr. Duguid well knows that Mr. Tory voted against this legislation. I know that it may not be the most popular position with some who have come before this room, but at least he sticks to it, where Dalton McGuinty has taken about six different positions in the past year on this legislation. If he were sitting there, he'd poke me in the eye with his nose, I think, the way he's handled this issue.

Councillor, I believe that I recall in 2002, when we were in government, that Mississauga submitted a report to the province of Ontario for a single-tier Mississauga. Do you still stand by that as Mississauga's preferable solution?

Ms. Saito: Yes. That was our preferable solution. The reason for that was the money that was going out and that has been going out from Mississauga taxpayers—66% of the costs, as I mentioned earlier but wasn't going to talk about—since 1974. That represents a big chunk of money to a community that is financially moderate, I would say, as it relates to our citizens. But we felt it was time. Mississauga is, I believe, larger than Hamilton. We're larger than some of the so-called large urban cities across the country, and we feel that we are financially and politically able to stand on our own.

So, yes, that was our solution. I want to say that it was our citizens' and our council's; I know there has been talk that it's just Mayor McCallion's march. We were not behind the mayor; we were beside the mayor every step of the way, and I want to get that clear.

The Chair: We'll move now to the NDP.

Mr. Prue: I want to understand your statement. I'm quoting you: "In my view, representation by population is a basic democratic principle and must be applied here." Within the city of Mississauga, you have wards that have 44,000 people. Ward 1; I believe, has 44,000. What has Mississauga done to redress the imbalance within Mississauga, never mind within the region? It seems to me that you can't be saying, "We want this to be democratic; we want two seats for my northern ward," when even to this day, ward 1 has 44,000 people, and I understand ward 2 has about the same.

Ms. Saito: Yes, you're right. As you know, I've got 100,000 in ward 6—slightly over 100,000. What we're trying to do to address that is that by adding the two wards. We've been trying to do this since 1991, as I mentioned. The OMB had a decision that there should be approximately one councillor per 45,000 people. If we were to follow that, we would have a very large council,

and it's always been our policy in Mississauga to have as small a government as we possibly can. We feel that is just fiscally responsible in the city.

We did have a recommendation back in 1994, I believe it was, to add one or two additional councillors to address that inequity and the growing population. That report really didn't go anywhere, because we were told very clearly by our counterparts at the region of Peel that they wouldn't even consider it. So we didn't pursue that. We've really been putting it off for a long time, and at this point in time, by adding the two wards, we're going to be able to address that inequity. Most of the wards will then be anywhere from 50,000 to 60,000 people.

Ward 2 and ward 1 are growing through infill. With the new growth policy that the province has brought forward, we are committed to intensification in the city of Mississauga. Ward 1 and ward 2 are two of the areas that are going to take a fair bit of that intensification. Those populations will grow, and they will probably be in the low to mid-50,000 range, which will be equitable.

The Chair: Thank you for your presentation.

Ms. Saito: Thank you very much for the opportunity.

Interruption.

The Chair: Order. I remind the audience that you're not allowed to clap. This has the same rulings as the Legislative Assembly.

MISSISSAUGA BOARD OF CHINESE PROFESSIONALS AND BUSINESSES

The Chair: I call on the Mississauga Board of Chinese Professionals and Businesses. Please come forward.

Good afternoon. You have 10 minutes for your presentation. You may leave time within that 10 minutes for questions if you wish. I would ask you to state your name for the purposes of our recording Hansard.

Mr. Andre Mak: Good afternoon, Chair Hoy and members of the committee. Allow me to introduce myself first. My name is Andre Mak. I am the chair of the Mississauga Board of Chinese Professionals and Businesses. I have been a resident of Mississauga for well over 33 years. I was privileged to be the recipient of the Ontario Medal of Good Citizenship in 2002, and I was awarded Citizen of the Year of Mississauga in 2003.

Just to give you a little intro to the Mississauga Board of Chinese Professionals and Businesses, this is an association with a mission to link the professionals and businesses of the community for the well-being of the city of Mississauga.

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Over the years, we have organized many different functions such as the annual Healthy Living Expo for health care and health prevention, an arts festival to enrich multiculturalism and a fundraising drive to raise funds for the capital campaigns of the Yee Hong Centre for Geriatric Care, the Trillium Health Centre, the Credit Valley Hospital the University of Toronto at Mississauga.

All these activities that enhance the well-being of the community are organized by a medium-sized professional and business organization with a membership of roughly 500. There are quite a number of these kinds of organizations doing by-and-large similar activities to enrich this beautiful city of Mississauga because this city deserves the best of the best.

Since I moved to Mississauga in 1972, I have witnessed the tremendous growth of the city over the years. Under the leadership of Mayor Hazel McCallion, it is now the third-largest city in Ontario and the sixth-largest in Canada, with a population of close to 700,000. This is a debt-free city and we are not afraid to publicize the reserve that we have built up over the years.

This is also a very vibrant city that attracts people moving in from other municipalities, other provinces and, for that matter, other parts of the world. This is the city that attracts associations like the association that I chair. We all put forth our hearts and souls to help make the city a better place to live and to work. The residents of this city are determined to build and to grow with the city. We are proud of our city and what we have built and accomplished over these years.

Today, I am submitting to the standing committee our full support for passing Bill 186, the Regional Municipality of Peel Act, 2005. We believe this is the first step in the right direction.

Perhaps this is a very simple analogy of what I said, which I would like to put it in layman's terms: Years ago, when Peel region was set up, it was like putting three brothers or three sisters to live in one room, the one-year-old town of Caledon, the three-year-old city of Brampton and the 10-year-old Mississauga, in a room called Peel region. They perhaps all slept in children's bunk beds at that time. Over the years, we witnessed the growth of the children. Now the 10-year-old Mississauga is 18 years old or more and has outgrown the bunk bed and is asking to move out of the room. Due to the opposition, the screaming of the two younger brothers for fear of losing their big brother, the parents end up getting a bed just for the big brother to stay in the same room.

In our opinion, growth is imminent and progress is inevitable. It's a matter of time to make more changes in the years to come. We don't know when; maybe in another five years or 10 years down the road. In fact, we believe that sooner or later Brampton will also outgrow itself and will ask for a separation. However, today, we have a solution: Bill 186, the Regional Municipality of Peel Act, 2005.

Considering that the city of Mississauga has 62% of the population in the region of Peel, and after the restructuring it only has 50% of the seats and representation at the regional council, considering the consultant's financial impact report revealed that it costs Mississauga as much as \$32 million each year to support two levels of service delivery, when these dollars can be better used to help enhance the well-being of the people in this great city of Mississauga, we are indeed being shortchanged.

However, progress and evolution take time to make changes. This is first step in the right direction. We

accept it. We recognize it. It could be a short-term solution or an intermediate-term solution, but we will support it and we will stand by it.

The Chair: We have about a minute and a half per caucus and we begin this rotation with the official opposition.

Mr. Hudak: Thank you very much, Mr. Mak, and to the Board of Chinese Professionals for making a presentation today.

I had a question similar to the councillor. The preferred solution for your organization would be for Mississauga to be a single-tier municipality?

Mr. Mak: Yes, definitely. Time changes, evolution changes. Changes are imminent; that's what we're trying to stress. This is the first step in the right direction. It may not be in our time; it could be five years, 10 years down the road. That is the ultimate goal; no doubt about it.

Mr. Hudak: Do you think that if Bill 186 passes, it makes that easier to achieve or more difficult to achieve?

Mr. Mak: This is definitely the first step in the right direction, as far as we're concerned.

Mr. Hudak: It makes it easier to achieve?

Mr. Mak: It makes it easier to achieve that. It's a matter of time. In my opinion, years from now Brampton will ask for the same thing. Once they grow to a certain population level, then they will probably ask for the same thing.

Mr. Hudak: Do you expect that the true motive of the bill is actually to get to the stage where it's a single-tier municipality, but in two steps?

Mr. Mak: It doesn't really matter. What matters is that we're moving in the right direction, one step at a time, just like anything else. If we do something, if we change something, there's always a first step.

The Chair: Thank you. We'll move to the NDP.

Mr. Prue: In this same regard, because I'm trying to understand: We had a facilitator's report, and the facilitator's report recommended something different from what the minister said. Did the minister consult you or anyone you know to say, "We're not adopting this because we agree with your long-term solution of having Mississauga out of Peel"?

Mr. Mak: No, I don't think the minister consulted me regarding this area. This is strictly an opinion on behalf of my association. As you can see, at the back we have 20 to 30 people from our community coming here to support this as well as to voice their concerns, and I'm here on behalf of them.

Mr. Prue: Have you made this statement to any other group? Did you make this to the judge, that you have a long-term goal of having Mississauga leave Peel region?

Mr. Mak: No. At the time, I was not provided with the opportunity to make a presentation to the judge.

Mr. Prue: Have you had an opportunity to make this presentation to any of the members of provincial council, particularly those who represent the area of Mississauga?

Mr. Mak: I believe, on an informal basis, we always talk to Peter or Tim or the rest of the MPPs that perhaps that is our position.

The Chair: We'll move now to the government.

Mr. Peterson: Thank you, Andre, for participating and for being such a tremendous asset to our community.

We were up in Brampton this morning, and they were pointing out that this consultation process is abbreviated. How long have you been active in analyzing the situation of Mississauga inside the region of Peel and how many times have you had consultations on this?

Mr. Mak: Based on even the first time the task force had public hearings in the city of Mississauga, we were there representing our community to discuss and put forth our presentation at that time. Since then, it's on and off, based on the news and based on all the various discussions, either with you guys or perhaps with the mayor and other people.

Mr. Peterson: What was the date of that first meeting?

Mr. Mak: Which meeting?

Mr. Peterson: The first time you had consultation on it. What month would that have been?

Mr. Mak: That was quite a number of years ago.

Mr. Hudak: On this bill?

Mr. Mak: Not on this bill. You mean the dissolution.

The Chair: Thank you for your presentation.

MISSISSAUGA BOARD OF TRADE

The Chair: I call on the Mississauga Board of Trade to come forward, please. Good afternoon. You have 10 minutes for your presentation. You may leave time within that 10 minutes for questions, if you wish. I would ask you to identify yourself for the purposes of Hansard.

Mr. Russ McCall: Good afternoon. My name is Russ McCall. I'm the chairman of the Mississauga Board of Trade.

Mr. Chair, members of this committee, ladies and gentlemen, the Mississauga Board of Trade is the voice of business in Mississauga, which represents 2,300 small, medium and large businesses in all sectors. The board's mandate is to create an environment for businesses to compete and prosper and to recognize that a thriving business sector contributes to the quality of life for all citizens in our community. The board of trade has consistently advocated for less government and more efficient delivery of services, including waste management, emergency services, water and waste water, transit, storm drainage, social services, public health and long-term care.

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The economic viability of the cities depends on the coordinated efforts of all levels of government. We are encouraged that the city of Mississauga has accepted the amendment to the Regional Municipality of Peel Act, 2005, in the introduction of Bill 186. The increased representation of regional council members as a result of this amendment reflects the economic and population growth in Peel, especially in the city of Mississauga. The board of trade looks forward to working with all governments to ensure the region's future prosperity. There-

fore, on behalf of the Mississauga Board of Trade, we would like to go on record in full support of Bill 186 and encourage everyone in this committee to support this bill. Thank you for your time.

The Chair: We have a little less than three minutes per caucus. We'll begin this rotation with the NDP.

Mr. Prue: This morning we heard from the Brampton Board of Trade and the Caledon Chamber of Commerce, and they are diametrically opposed to you; they have the same interests, but have drawn diametrically opposed positions. I just have to ask, can you explain, if you're all looking out for business interests, how they could come to such a radical and different conclusion that this bill is in the worst interests for business?

Mr. McCall: Thank you for the question. I have been in conversation with my counterparts at Brampton and Caledon, and we have voiced our own opinions. Like any organization or any public, we are in agreement to disagree on certain views. However, we have discussed that once this issue has been cleared, the Caledon Chamber of Commerce, the Brampton Board of Trade and the Mississauga Board of Trade will continue to work toward one goal, and that is to improve and represent the businesses in all our communities.

Mr. Prue: I'm at a bit of a loss, because your deputation was very short, to understand how the addition of two members from Mississauga and one from Brampton to the Peel regional council is going to improve business. I'm at a bit of a loss. You're not speaking of anything except the business connection, and I don't see how either doing it or not doing it is going to improve business.

Mr. McCall: The reason we are here today—I am a citizen of Mississauga and I do have a personal belief in it, but I am also here today to represent the Mississauga Board of Trade, which represents the business community. We were asked to speak today. I went back to my executive, and we had to determine why it would be worthwhile for us to be at this table. We wanted to make a comment in regard to equal representation at the region to make sure that the business of the region was not delayed by block votes or that business issues involving citizens of Mississauga, Brampton or Caledon were not delayed.

Mr. Prue: Have there been any experiences of block votes delaying business interests? What we heard this morning is that there are none. Are you saying that there are some?

Mr. McCall: I can't go on record as saying there have been.

Mr. Prue: So why is this a concern to your organization?

Mr. McCall: We want to make sure that does not happen in the future.

Mr. Prue: Do you think this bill is going to stop something that doesn't exist already? Again, I'm at a complete loss to understand your deputation. I'm trying very hard to understand.

Mr. McCall: That's OK. We wanted to make sure there is equal representation—I guess representation by population is our strongest point of view. As Councillor Saito said so clearly, we do have 60% of the population of the region of Peel, and we feel there has to be that equal representation at that level for our councillors.

The Chair: We'll move to the government.

Mr. Fonseca: I'd like to thank the Mississauga Board of Trade and Mr. McCall for your presentation and your comments in regard to moving closer to a more fair and balanced state through Bill 186.

When I think about business—and you're here representing the business interests of Mississauga—we often think that as business grows, you look at different areas you may grow into—you may open new branches and have regional reps.

I know that when we looked at Judge Adams's report, we implemented eight of the nine recommendations. The one recommendation that was not implemented looked toward future representation based on future population growth. In business, would you ever think about opening a branch where nobody exists? Would that be a good business decision for the taxpayers of a region or a city?

Mr. McCall: A decision like that would obviously be lacking any kind of due diligence. No, we wouldn't.

Mr. Fonseca: It's never been done before and it's not something that we felt should be moved on. I know the official opposition often brought up that they would like to see something like this. Well, you know what? That would just bring on more politicians and more government where it's not necessary. I know Mississauga and the region of Peel have always looked for efficiencies, doing things in the best manner for the taxpayers of the region and of the city of Mississauga. I would think this piece of legislation will do that and bring the fairness and balance that is needed.

Mr. McCall: I agree.

The Chair: We'll move to the official opposition.

Mr. Hudak: Thank you, Mr. McCall, for the presentation on behalf of the Mississauga Board of Trade. Just a quick question for you: How and when did you hear about the hearings today?

Mr. McCall: I heard about them yesterday.

Mr. Hudak: About what time?

Mr. McCall: Confirmed from the office around noon hour.

Mr. Hudak: That was from?

Mr. McCall: The mayor's office.

Mr. Hudak: And the deadline was noon. I don't know if that's a good way to run a business, when you have that kind of late notice to prepare a presentation.

Mr. McCall: I actually had heard about the readings going on at Queen's Park last week, through the same manager's office, and kept in touch with them on a daily basis. I called the office of the provincial clerk earlier this week to get a spot on today's table, and at that time I was told I was sort of ahead of it, because they didn't have the date or the place and couldn't confirm the date for today's hearings.

Mr. Hudak: The premise of the argument you made was that you want to see a reduction in government and in politicians. Mr. Fonseca just said basically the same thing; he decried more politicians and more government. But effectively, this bill adds three more politicians to the structure. So how does Bill 186 actually help you reduce government and reduce the number of politicians?

Mr. McCall: It is a balancing act. The whole issue in regard to the proposal of Mississauga separating from the region of Peel—I think, if you look at most chambers and boards of trade across Canada or throughout North America, they're always in favour of fewer layers of government to maintain services. When you look at a city the size of Mississauga and compare it to other large cities within the country, not a lot of them have to report to a regional government. For us, we feel that, with Bill 186 being introduced and making an amendment to the representation, at least Mississauga will have fair representation by population at that level.

Mr. Hudak: The last point, if I could: One thing that we usually hear from the business community is that stability and predictability are important. We have a concern that because of the way this bill was brought about and the rift between the municipalities, we'll have anything but stability.

Secondly, there's a concern we heard this morning about a possible tie in determining the regional chair if regional councillors vote along municipal lines. Do you think this bill should have some aspect in it on how that tie would be remedied in case that did occur?

Mr. McCall: I think having the regional chair make the final decision in the event of a tie is the appropriate—

Mr. Hudak: For the election of the regional chair; I'm sorry.

Mr. McCall: To be honest, I hadn't thought about that so I wouldn't be able to give an informed answer.

Mr. Hudak: How about the notion of cabinet appointing the regional chair in the event of a tie, which we heard today may be the eventuality if that's not corrected in the bill? Do you think cabinet should decide the regional chair of Peel?

Mr. McCall: No, I think it should be done through the councillors at the regional level.

Mr. Hudak: Direct election?

Mr. McCall: Yes.

The Chair: Thank you for your presentation.

CITIZENS' TASK FORCE ON THE FUTURE OF MISSISSAUGA

The Chair: I call on the Citizens' Task Force on the Future of Mississauga to come forward, please. Good afternoon. You have 10 minutes for your presentation. You may leave time within that 10 minutes for questions if you wish. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Brad Butt: My name is Brad Butt. I'm the co-chair of the Citizens' Task Force on the Future of Mississauga. On behalf of the 18 volunteer members of

the citizens' task force, I would like to thank you for this opportunity to provide some history and also to comment on Bill 186.

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In February 2001, the mayor and members of Mississauga city council appointed a task force, which was asked to look at where Mississauga is today and where we believe the city should be in the future. The task force was made up of a very diverse and professional group of individuals representing all the wards in the city. Faithfully for the next 16 months, the task force met, reviewed documentation, held public meetings and finally reported to council in May 2002.

In reviewing all sorts of areas of governance and service provision, the task force always looked at the big picture. There are serious issues affecting all of us in the greater Toronto area that need better coordination and service delivery. We spent considerable time advocating for a greater Toronto area coordinating body because we recognize that many local issues must be dealt with GTA-wide.

At the same time, we did not want to add yet another layer of government at the local level. The model we proposed was much more in keeping with the former Greater Toronto Services Board, but with the power and teeth to get things done. We recommended a proactive and results-oriented approach to improve the lives of the five million people living in the greater Toronto area.

Therefore, we did recommend that the region of Peel level of government be phased out and that the city of Mississauga become a stand-alone municipality. Mississauga would be expected to play a pivotal role in the new greater Toronto area coordinating body through its locally elected politicians.

We believe we were on the cutting edge of new, dynamic local government in the greater Toronto area. While our report is now three years old, little has changed. Municipal governance needs restructuring to ensure it better serves its residents and businesses.

In our final report, we also very carefully explained how former regional services could be better delivered, either at a special-purpose body or local levels. Our recommendations made sense then and continue to today.

I would encourage each member of the committee to read the entire report and see the high level of work put into it. We continue to be disappointed that few of our recommendations have been implemented, but we believe that our work was not done in vain.

But today we are dealing with Bill 186, an act to amend the region of Peel act in terms of its political representation. One of the most important recommendations in our task force report was that the principle of representation by population be respected in every way. It is completely unacceptable that communities would not have equal voice based upon population in local government. As the population in the region of Peel has grown, the disparity in the regional council has changed too. At the present time, while Mississauga has more than 60% of the population of the region and pays close to two

thirds of the taxes, it has less than 50% of the votes. I would say to you that the old cliché “no taxation without representation” might sum up this dilemma.

While we are disappointed that Bill 186 does not implement representation by population, it does move in the direction of correcting an historical wrong. Mississauga needs two more councillors. We cannot create those wards and councillors without a change to the region of Peel act.

Bill 186 still does not give Mississauga control at the region. It does help to ensure that Mississauga council can grow to 12 members while recognizing the historical representation of Caledon and growth in Brampton. While our preference is still to dissolve the region of Peel, our task force would certainly support mechanisms and changes at the region that would make it function more effectively and efficiently and give closer representation by population than is currently the case.

In conclusion, I would like to quote from a section of our report. “We recognize that our recommendations will not automatically overcome every challenge. Nor do we believe that simply restructuring governments will, by itself, make a positive difference. Reforms must be accompanied by genuine and sustained commitment to the public good and to future generations. We, as citizens, must consistently make an effort to be politically aware, involved and prepared to hold our governments accountable.”

On behalf of the Citizens’ Task Force, I would ask you to recommend back to the Legislative Assembly of Ontario passage of Bill 186.

The Chair: Thank you. We have a little less than two minutes per caucus. We begin this rotation with the government.

Mr. Delaney: Thank you for coming in, Brad. Again, thank you for the work that you did on behalf of the citizens’ task force.

With regard to the Adams report, Adams proposed adding seven politicians to Peel council; Bill 186 proposes three. Which of those two models do you think perhaps best serves the interests of the citizens of Mississauga, and Peel region in general?

Mr. Butt: I don’t think it’s so much the numbers. We were very disappointed in Judge Adams’s conclusion, because initially he was actually recommending that Mississauga councillors get less than one vote at the region until Brampton kind of caught up on the population growth side. We thought that part of Justice Adams’s report was quite weak.

I think the principle of representation by population at the time you draft legislation, with the populations in place, needs to be the model. Bill 186 is probably the closest we’re going to get without Mississauga getting more than 50% of the representation in the region. Our view would be that we would prefer it be full rep by pop, but this is awfully close.

Mr. Delaney: One more short question: Could you tell me what you heard during your consultations about

the process of reconciling the function of planning between the city of Mississauga and the region of Peel?

Mr. Butt: One of the things we did find in our report was there are lots of areas where there’s duplication of services. To have a regional planning department and a city of Mississauga planning department, in our view, makes little sense, and it’s also confusing for the public because the average citizen doesn’t realize whether it’s a region of Peel issue or a city of Mississauga issue. We’re fortunate in Mississauga that our councillors serve on both the city and the region, so they’re not confused about who to call their local councillor, but we found duplication in the planning department, in snow clearing, in roadwork and paving and so on. There are all kinds of areas that could be improved if our recommendations and our report had been adopted, which is that Mississauga be a single-tier municipality.

The Chair: We’ll move to the official opposition.

Mr. Hudak: Mr. Butt, thank you very much for the presentation. You always do a great job. I know you’ve been a very strong advocate for Mississauga in your committee’s report. He’s beaten me up a few times over Bill 186 on some of the issues, so I think we just respectfully disagree with respect to this bill. But I do admire your persistence and the strength of the way you make your arguments.

I think you do know that we heard overwhelming rejection of the legislation in this morning’s sessions from Brampton- and Caledon-area folks. As legislators, we need to look at the big picture, as well as across the region. For example, one of the suggestions you made is that there’s unfair taxation in the region, that Mississauga pays two thirds of the taxes to the region. Do you think that if this bill passes, that will shift to Brampton and Caledon?

Mr. Butt: No, I don’t. I think that’s an issue for the council of the day to deal with, as to how they’re going to set the tax rates and how they’re going to fund services in the region. I don’t think there’s any evidence to show that Bill 186 would make a major shift in how taxes are collected and how taxes are reallocated or used to pay for services, but I think it’s an important principle of the bill that it really gets us much closer to the view that my local councillor where I live basically has the same weight and the same right of input and responsibility to represent my tax dollars as a councillor would in Brampton or in Caledon.

Mr. Hudak: Do you think that, on that principle you just described, if Brampton grows faster than Mississauga in the time ahead, there should be a provision in the bill to reopen it to adjust for population?

Mr. Butt: I can’t speak for the task force. My personal opinion is it might be appropriate that an amendment to the bill would have a mechanism in place that would adjust the representation for population as all three of them continue to grow and rejig it over time, perhaps in advance of every municipal election if that’s required. That may be an administrative nightmare, but it certainly would respect the principle that we’re saying, which is

that the region of Peel should function on representation by population.

The Chair: We'll move to Mr. Prue.

Mr. Prue: Your task force found, and I quote, that, "The principle of representation by population be respected in every way." Did you look at the inequity in Mississauga between ward 1 at 44,000 and ward 9 at 100,000? What did your task force recommend on that?

Mr. Butt: What we recommended was that obviously you would move toward a system—I think Councillor Saito mentioned this earlier—where once Mississauga gets the two additional councillors, then you'd have the ability to do it. It's very difficult in the way the city of Mississauga is set up geographically today, with massive growth in the north end of the city and very modest growth in the south end of the city, to do that without first getting the two more councillors, and then secondly looking at ward boundaries to ensure that the wards are much closer in population.

Mr. Prue: She also said—and I'm very puzzled by this statement—that wards 1 and 2 are going to have incremental growth, are going to have infill and, looking down the road, that's going to solve itself because there's going to be more population there. That's the identical argument that I'm hearing from Brampton, which Mississauga has rejected. So internally within Mississauga, the identical argument is being made.

1400

Mr. Butt: With all due respect, Mr. Prue, I think the problem is that we require two additional councillors to bring the average number of residents down to a reasonable number. The problem is that the region of Peel act is the noose around the neck of Mississauga moving forward, and getting two additional councillors so that we can rejig those boundaries and rejig the population in the wards. It doesn't work in a nine-ward system, but it does work in an 11-ward system or a 12-ward system, which would be better.

Mr. Prue: OK. The problem I see with the region of Peel—and I guess it's perhaps because Mississauga is so large—is that this is the only regional government that I can think of in Ontario, and indeed in Canada, where one city is the majority. This is the only one. I don't know of any others. Did your group study the fact—that's what is causing the problem here. Even in the old Metro Toronto there were six cities, and Toronto, although it was the largest, was certainly no bigger than a third at any time.

Mr. Butt: We certainly said that the region of Peel is unique in the regional government situation. We didn't make comments on what Halton, York or Durham should do. That's up to their citizens and their politicians to come to grips with. But we are unique in Peel in the fact that we have one very large municipality, one municipality that will be very large five or 10 years from now with population growth and one very small, rural community. Of course, our recommendation was to get rid of the region of Peel. Let them sit as single-tier municipalities. A city of 750,000 people, which Mississauga will be, clearly could be a stand-alone municipality.

The Chair: Thank you for your presentation.

CITY OF MISSISSAUGA

The Chair: Would the city of Mississauga come forward, please? Good afternoon. You have 10 minutes for your presentation. You may choose to leave some time within that 10 minutes, if you wish, for questions. I would ask you to identify yourself for the purposes of Hansard.

Mr. Ed Sajecki: Good afternoon. My name is Ed Sajecki and I am the commissioner of planning and building for the city of Mississauga. I want to thank you, Mr. Chairman and members of the committee, for your kind consideration.

What I'm going to do is talk about the process that the city of Mississauga has been going through in terms of our own ward boundary review, and our city manager, Janice Baker, who is on the agenda later, will also be speaking to that matter. You do have before you—at least, I believe it's been left with the secretary—a copy of the staff report that was presented to council dealing with ward boundary reviews about one year ago. What I want to do is just read you the resolution that came out of that report. The resolution of council was: to amend the composition of city council by adding two additional councillors and that that be endorsed; secondly, that amending the composition of regional council by adding two additional representatives from Mississauga be endorsed; and thirdly, that the ward boundaries review be circulated to ratepayer groups, school boards, business improvement areas, the Mississauga Board of Trade and the Urban Development Institute.

Subsequent to that, a further report was presented to council this past October, summarizing the input that was received. A statutory public meeting is scheduled for May 30 of this year. So basically we've been in the process for one year, in terms of statutory requirements.

Just by way of background, I wanted to make a couple of points about the details of that report. In 1974, the city and the region of Peel were created and the newly formed city of Mississauga was home to approximately 220,000 people. While the report deals with population distribution issues, I think there's a further point that's really important and hasn't yet been mentioned in terms of the complexities of change that Mississauga's been going through.

Mississauga is now home to about 410,000 jobs. It has the most dynamic industrial market within the greater Toronto area and the greater Golden Horseshoe. It has a very vibrant waterfront. It has the complexities that go along with developing an emerging city centre and it has the challenges of infill and redevelopment. The point I'm leading toward is that the city staff report dealing with population distribution doesn't get into—because that's not how the OMB said we should look at these things—the workload and the complexities involved in dealing with a municipality that has the kind of complexities that I just outlined. I can tell you, I probably spend about 30%

of my time dealing with economic development issues, as do the councillors. The fact that we were able to get that kind of business climate going in the city I think is testament to the amount of time that council spends on those issues.

I want to basically say that in terms of the evaluation criteria that the city went through, our first priority was to reduce the population disparity between the ward sizes in Mississauga. We considered the difference between the largest ward and the smallest ward for both the year 2006 and 2012. The smaller the disparity between the ward sizes, the more equitable the representation for the people of Mississauga and the fairer the workload for the local councillors. For the proposed 11-ward scenario, the difference in population between the largest and smallest wards would be about 36,000 persons in 2006, decreasing to about 33,000 persons in 2012. This is a considerable improvement from today's nine-ward situation, where in 2006 the difference between the largest and smallest wards would be almost 81,000, increasing to about 84,000 in 2012 if there were no additional wards.

The second criterion used was percentage variation from average ward size if Mississauga's population was equally distributed among all wards. For the proposed 11-ward structure the greatest difference would be approximately 31% in both 2006 and 2012. Again, this is a considerable improvement from today's nine-ward situation where the variation for both 2006 and 2012 would be over 60%.

The third criterion that was used in determining the ward boundaries was the use of natural and artificial features. The proposed ward boundaries they considered natural and artificial features included arterial roads, highways, rivers and creeks, and railway lines. We also looked at the geographic form. The proposed boundaries follow straight lines and aren't easily identifiable. The physical area of each ward is similar in size except for ward 5, which as you can all appreciate contains the Lester B. Pearson International Airport, and also some large industrial areas which could not be divided up.

We wanted to keep historic communities contained within a ward. In the northwest portion of the city, this includes Meadowvale village and Streetsville, and so the proposed ward boundaries do not split these historic communities. We wanted to keep BIAs within a single ward. In the northwest portion of the city, the only BIA—and that's a business improvement area—is in Streetsville, which is contained within one ward. Wherever possible, ratepayer associations should be contained within a single ward. There are five ratepayer associations in the northwest and only one is being split by the proposed ward boundaries.

I just want to end off by saying that the proposed ward boundaries address the problems of high resident-to-councillor ratios. They adjust the imbalance in councillor-to-resident ratios across the city. They do meet the rigorous criteria that were set out by the Ontario Municipal Board—and I believe Janice Baker will comment on that board hearing in her presentation—and

certainly, in the view of staff, will meet the needs of the residents of Mississauga for the next 15 to 20 years. Just to reiterate, this matter is going forward to a statutory public meeting after being in the process for about one year now, and that is being held on May 30.

I thank you very much for your time.

The Chair: Thank you. We'll begin this rotation with the official opposition. We have a little over a minute for each party.

Mr. Hudak: Mr. Sajecki, thank you very much for your presentation. You've obviously been doing your homework on this issue for some time. The current provision to allow Mississauga, outside of Bill 186, to change its representation is in the Municipal Act, and it would require a triple majority. This act would supersede that and allow two more members of Mississauga to go on council and one for Brampton, if passed.

Brampton makes the case that their population's going to grow very quickly in the time ahead, and therefore there should be an opportunity to reopen the act. This bill, as written, would put it back to the triple majority that exists under the Municipal Act, which Mississauga effectively has argued is unfair. Do you think there should be that provision in case Brampton grows at a faster rate than Mississauga?

Mr. Sajecki: I can't speculate on that. I think we heard earlier speakers talking about population of the future versus population of today. I can tell you, we're 700,000 people today. The complexities I talk about exist today. But 410,000 jobs are here today, and they are growing exponentially. We have a very dynamic economy here. I just can't speculate on what may or may not be happening in Brampton.

Mr. Hudak: I appreciate that. I don't want to put you on the spot. But we do; we have to look at the good of Peel as a whole for this bill and the implications for other regions in the province as well if you went to a rep-by-pop formula and the ramifications. We need to look at the big picture. That's why I ask you.

1410

Mr. Sajecki: If I might, the comment I would make, though, is when one is looking at an undefined population in the future—and let's take the province of Ontario just as an example. You'd have to double the size of the seating in the Legislature today to accommodate the future five million people who are expected to be in Ontario.

Mr. Hudak: My point, though, is simply, should there be a mechanism that could trigger changes in seats if the population shifts? The argument Mississauga has made is that the current mechanism does not work; they've grown a lot so we need to change the bill. Shouldn't the same fairness be given to Brampton or Caledon, if they grow down the road, to re-examine the seating?

Mr. Sajecki: I wouldn't want to give an off-the-cuff comment but I think it's certainly something that could be looked at, sure.

Mr. Prue: Again, I'm curious because the argument has been made over and over again that Mississauga

doesn't think you should look at potential population and Brampton wants us to look, and yet in your own study you were talking about 2006 and 2012 and the potential projected populations in the area at that time. Why are you using that internally if you disagree with it externally?

Mr. Sajecki: What I was talking about is the ward structure that we would set up. It would accommodate today's needs and would also be, without any further change in representation, accommodating, we think, in a reasonable way, without having to add additional seats, the future growth that we expect.

Mr. Prue: Again, Mississauga is a mature, very large, some would say brilliant, city, but it's starting to become compact. If the Canadian government, the province, places like Toronto and most municipalities can keep their wards and their ridings within plus or minus 5%—and I know you can't do that in northern ridings and some very strange ones—why is Mississauga content at a 33,000-population difference? I don't understand this.

Mr. Sajecki: As I outlined in my presentation, there were about seven or eight criteria that we went through. When one starts to look at the complexities of, for example, having the airport—as I said, it would be very difficult to draw a boundary through that area—when one looks at all the criteria collectively, we think we've come up with a very, very sensible recommendation. It's not as simple as just a numbers game. One does have to look at communities of interest and look at issues of natural features and so forth.

Mr. Berardinetti: Thank you for your presentation, Mr. Sajecki. I only have a minute so I'll be very brief. I come from the other side of town, Scarborough, and I always hear that Mississauga has grown out or has basically built out. Can you just explain to me whether or not that is the case, or do you still have room for growth?

Mr. Sajecki: We're moving to the kind of situation that we've seen in mature urban municipalities like the city of Toronto. The city of Toronto has been built out pretty well for a long, long period of time. But go look at the cranes in the air. There's a lot of activity; it's just changing in terms of the form of development. Europe has been built out forever. We expect that we will see a lot of intensification and new development. I just suggest, if you haven't had an opportunity, on the way home go look around our city centre and see what's going on.

Mr. Berardinetti: Thank you; I will.

The Chair: Thank you for your presentation.

CITY OF MISSISSAUGA

The Chair: I call on Eve Adams to come forward, please. Good afternoon. You have 10 minutes for your presentation. You may leave time within that 10 minutes for questions, if you wish, and I would ask you to state your name for the purposes of our recording Hansard.

Ms. Eve Adams: Thank you. I'm here to speak in support of Bill 186. My name is Eve Adams. I'm the

councillor for Mississauga's ward 5, and I'm due to deliver my baby the day after tomorrow.

Welcome to my ward, home to Canada's—

Mr. Peterson: Mississauga is growing.

Ms. Adams: It is; population up by one.

This is my ward. It's home to Canada's largest international airport, almost 80,000 residents and 9,300 businesses. That's not in Mississauga, but 9,300 businesses just in my ward alone.

There are parts of Peel region which have conscientiously chosen not to develop. Caledon elects leaders who prefer rolling hills, vast acreages and serene countrysides far removed from industry. Some of Toronto's wealthiest families have chosen to build their large compounds and summer retreats in Caledon. It's a beautiful lifestyle. No one would begrudge them their beautiful country mansions if they paid their fair share, but they don't. Mississauga residents have subsidized that lifestyle and Caledon's elite choices.

Mississauga pays 65% of the costs at the region—I know you've heard that—yet we only have 62% of the population and, worse yet, only 48% of the votes.

I represent a diverse ward of great people and hard workers. Near the airport, three generations of immigrant families cram themselves in small, wartime housing so that soon their children will have more opportunities, they hope. Their property taxes subsidize Caledon mansions. Seniors who served our war industries struggle to pay more in property taxes today than they ever paid for their mortgages. They subsidize the Caledon gentry. And then, many of my residents are young families, where both parents must work in order to make mortgage payments. Some commute two to three hours a day to return to their 36-foot-wide lots with tiny backyards, and yet their property taxes are subsidizing Caledon. That's why everyone will tell you that property taxation is one of the most regressive forms of taxation. You shouldn't have the homes of seniors, immigrants and young families subsidizing the big properties.

My residents endure the noise and pollution of the airport, the highways and spinoff industries. Caledon gets the benefits of those industries but doesn't need to put up with any of the downside. The inequity has gone on far too long.

I thank you for the two additional votes at regional council, but I would encourage you to move beyond Bill 186.

Mississauga does not need an additional layer of government. Our resources are already limited, and the region is just another level of bureaucracy and red tape. I've now had the honour of working at all four levels of government, I've consulted for businesses across the US, and I can tell you that the challenges faced by Mississauga businesses are unique, to say the least. My ward is the home of head offices like Liz Claiborne, Mattel, Sara Lee, Hershey, Kellogg's, General Mills, Spar Aerospace, Oracle, Pepsi, KIA, Subaru and Colgate-Palmolive. Almost all are located in corporate parks on Mississauga streets. That's the good news. If you're a

small or medium-sized business, though, and would like to border a regional road, you face a maze.

Let me give you an example. A woman in her thirties chose to strike out and run her own daycare in my ward. After receiving approvals from the province, she leased space in a 15-year-old, busy strip plaza. Because the plaza exited on to two streets, one a regional road and the other a city road, she triggered the planning department processes of both levels. She now had to go to the planning department at the city and the planning department at the region. She also triggered the works and roads department at the region and the works and roads department at the city. She took out a loan to fund her dream, prepaid her lease, met the city's requirements, hired contractors in good conscience, and only then was told that the plaza owner would have to give up some land on Dixie Road free of charge or she would not get clearance from the region. The region admitted that it wasn't her fault, as the business owner; they should have obtained the land a decade before. It was an oversight, but now they could not overlook it and apologized for waiting so long to tell her. The plaza owner said it wasn't his problem, he wasn't giving up his land for free, it didn't affect any of his other tenants, and she would have to walk away from her investment.

She's just trying to open a daycare. You'd think that experienced help or ministry requirements or child care safety would be the biggest hurdles she'd face. Instead, she needs to weave through a layer of bureaucracy which didn't have its paperwork in order a decade ago, again was slow to the party, and ramped up her costs.

A month later, I have a medium-sized business owner looking to build at the intersection of another regional and municipal road. The city, the region, the conservation authority and the airport all have to be circulated on his file. His planning consultant, hired because few business owners can afford to do this or understand the complexity themselves, had made the rounds and responded to every agency's requirements and cleared his paperwork. So now he is ready to break ground and lay services for his construction. But I receive his panicked call. The region, again in an oversight, forgot to ask for land for a road-widening along the front of his project—maybe. The region wasn't sure if they needed it, but he would have to wait until they took measurements of the road and got back to him. The construction trucks were on his land. He needs to know if he's building on the right spot. Does he now need to move that building back? Should he be building up another level? None of this mattered at the time. All of this comes at no small cost to him.

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We should be encouraging businesses and incubating them. The provincial coffers certainly rely on them, and they provide employment closer to home for our families. They will be tomorrow's success stories if we don't choke them in red tape today.

Mississauga is a city of almost 700,000 people. Our residents shouldn't be subsidizing Brampton and Caledon through property taxes, and our businesses don't need

another level of bureaucracy. I would urge all of you to support Bill 186 and to reconsider eliminating the current region of Peel. As with most things, this debate comes down to money. Mississauga can no longer afford to subsidize the lifestyle choices of our neighbours. Thank you.

The Chair: Thank you. We really don't have time for a round of questioning, but we appreciate your presentation. Congratulations.

Mr. Duguid: I suppose there would be no point in inviting her to the clause-by-clause because I have a feeling she'll be otherwise engaged on the 19th.

Ms. Adams: Let me know if you need me.

Mr. Duguid: OK. We'll give you a call.

MAYOR'S YOUTH ADVISORY COMMITTEE

The Chair: The Mayor's Youth Advisory Committee. Good afternoon. You have 10 minutes for your presentation. You may choose to leave time within that 10 minutes, if you wish, for questions. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Louroz Mercader: Thank you, Mr. Chair. Good afternoon, members of the committee. My name is Louroz Mercader and I have the pleasure of representing the Mayor's Youth Advisory Committee. To help you remember my name, I'm going to tell you how I got it. It's my parents' names put together. My dad's name is Louis, my mom's name is Roza and, if you put the two together, you get Louroz. I'm representing the Mayor's Youth Advisory Committee and I was its past chair from 1998 to 2001. In 2001, I had the honour of being awarded the 2001 Medal for Young Volunteers for the province of Ontario.

I want to thank the committee today for allowing me to speak. I think it is always important to give young people a voice in such matters. Before I begin, I want to give you a brief background about whom I'm representing. The Mayor's Youth Advisory Committee was founded in 1982 and is the city of Mississauga's voice for young people. It is a dynamic, outgoing volunteer organization, which spearheads a host of beneficial community projects, actively encouraging youth involvement in the city, and it creates unique, constructive recommendations for all levels of government. MYAC is proud to represent Mississauga's 33 public schools, Catholic schools, private high schools and the local campus of the University of Toronto at Mississauga, representing over 63,000 young people in this city. I am speaking to you this afternoon on their behalf.

As the future taxpayers and voters of this city and this region, the youth of Mississauga have a vested interest in the issue of Peel governance. MYAC has been actively engaging the youth of Mississauga by closely monitoring and debating this issue for some time now. From the beginning, we have supported the citizens' task force on the future of Mississauga and the recommendations

outlined in its final report. We were proud to have had two former chairpersons sit on that task force, including Mr. Tom Urbaniak and Mr. Brad Butt, who had the honour of being co-chair and from whom you heard earlier. More recently, MYAC fully supported our mayor and our city council's efforts to seek fair representation on Peel council.

The region of Peel was established some 30 years ago. That is a long time ago and much has happened in that time which needs to be reviewed in context of what is more appropriate governance in today's situation. Mississauga has grown dramatically in this time and recently has come of age. Our city and our leaders have demonstrated that it is capable of managing both our city's and region's affairs in a responsible manner. Mississauga, with a population of 680,000 people, is the third largest city in the province and sixth largest city in Canada. I want to stress that no other city of our size is part of a regional government. We are simply asking for two additional representatives at the region to give Mississauga residents a fair voice. It is clear, and you have heard this number quoted before, that Mississauga has 63% of the population yet only 48% of the vote. This is simply not fair.

We applaud the provincial government for realizing, which was perfectly clear in the minds of the youth of Mississauga, that it doesn't make sense for Mississauga to have a minority of votes on regional council but have a significant majority of the population.

MYAC also agrees that as Brampton's population grows to warrant additional members, they should have them. However, we do not agree with Mr. Adams's recommendations to award Brampton representation at the region years in advance because they might, and I stress "might," be warranted one day.

The popular buzzword being used in this province today is "gap." The province of Ontario is seeking to narrow a gap of \$23 billion with the federal government. Mississauga faces a similar gap, both a financial gap of \$24 million and a representation gap of two councillors with the region of Peel. With this amendment to the region of Peel act, the province will help Mississauga close that representation gap by an outstanding 2% of the vote, for a total of 50% of the vote on regional council.

In closing, on behalf of the 63,000 young people of Mississauga and the Mayor's Youth Advisory Committee, I want to reiterate our support for the province's plan to add two additional city councillors in time for the 2006 municipal elections, finally dealing with the representation inequalities which have plagued the region of Peel for years.

Through you, Mr. Chairman, I want to thank the committee for providing me this opportunity to speak on behalf of the young people of Mississauga. We look forward to this legislation being passed in the House in the near future. Thank you very much.

The Chair: Thank you. We have a little less than two minutes per party, and we begin this rotation with Mr. Prue of the NDP.

Mr. Prue: You have reiterated a comment we've heard from most of the speakers this afternoon, and that is that you see the long-term future of Mississauga not within the region of Peel, that you see this as only an interim step until Mississauga can get out. Is that a fair comment on what you've said?

Mr. Mercader: Absolutely.

Mr. Prue: Well, it can't be much clearer than that. OK. I'm trying to understand how you see this transpiring. Mississauga obviously is a large city in its own right, one of the largest ones in Canada. Brampton is growing, and I guess will soon be a large city. We have the perplexing problem, though, of what to do with the remaining Caledon. Any ideas on that?

Mr. Mercader: Yes, and it's very simple: It's to reduce the number of seats in Caledon.

Mr. Prue: No, I'm talking about the long-term future. If there's no more Peel and if those two cities go their own way and become like Toronto, a single tier, is that what you're talking about?

Mr. Mercader: Well, I really can't speak on that, but Brampton has been known to say that it would want to stand alone as its own city. In terms of Caledon, I don't see why it couldn't join with another region if it wanted to.

Mr. Prue: So that's what you see, the dismemberment of Peel as the ultimate solution.

Mr. Mercader: Yes.

Mr. Prue: How do you think these two additional seats are going to help you get there?

Mr. Mercader: I really can't talk about what's going to happen in the future. We're looking at the current situation and trying to address the inequalities at the region of Peel. Currently, this is the best solution for Mississauga.

Mr. Prue: If I can say, without putting words in what we heard this morning and from other people from Brampton, they see getting five seats as the precursor to strengthening Peel and keeping it as a region. I guess the differences there are diametrically opposed. They want to keep the region of Peel and work within it and want the five seats to do that. You want two seats to help you get out. Is that what this is all about, in a nutshell?

Mr. Mercader: In a nutshell, I really can't speak on behalf of Brampton, but on behalf of Mississauga, we want those two extra councillors now.

The Chair: Now we'll move to the government, and Mr. Fonseca.

Mr. Fonseca: I'd like to thank the Mississauga youth advisory committee and Louroz Mercader. Thank you very much for your fine presentation.

I know that I have many students who come see me at my office, many youth. The last youth I had was a number of medical students, and they talked about the unfairness in how much they have to pay to go to medical school here in Ontario as compared to many other provinces.

When I visit schools in Mississauga, elementary schools, and sometimes bring little bits of candy, espe-

cially at Valentine's Day time, they want to make sure there's always a sense of fairness. Youth are always looking for fairness, and I think they have a great perspective on what fairness is.

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Can you tell me a little about the youth of Mississauga? I say Mississauga, because that's who you represent here. What is their understanding of the region of Peel and what it does?

Mr. Mercader: As you know, in civics class they learn about all levels of government. I think if you ask most young people, they don't see where the city and the regional services draw the line in terms of responsibilities. I think the best option is to streamline that. I think they would tell you that less government is good.

Mr. Fonseca: So if you asked any youth here in the city of Mississauga, they would say they were from Mississauga. I rarely hear youth talk about the region of Peel.

Mr. Mercader: Right, and I don't think a lot of them know where the region of Peel is.

Mr. Fonseca: Even though the region of Peel has provided and does provide many great services, to my understanding, if you put the numbers in terms of population and representation at the region of Peel on the table and showed them the numbers today, what do you think the first thing they would say would be?

Mr. Mercader: We've heard this over and over again at our committee meetings, that it's simply not fair in the current situation. That's why they support the two extra councillors from Mississauga.

The Chair: We'll move to the official opposition.

Mr. Hudak: Thank you very much for the presentation. It's great to see a very obviously active youth advisory committee to the mayor and the fact that you're taking part today. It's good to see some very strong words as to where you stand. I respect the fact that you've brought that forward.

I've been listening to a very strong position from Mississauga. It's a consistent message that they want to secede from Peel and be a single-tier municipality. I'd be curious if the members of the government here feel the same way and if it's true that this is simply a step to dissolving the region of Peel. So I hope when they get a chance to talk, they'll tell me very clearly, just as you did, whether they agree with it.

We had the report brought to us in 2002. We did not proceed with restructuring Peel. I know that's not everybody's favourite position, but at least we were clear and did not proceed.

Mr. Fonseca has to be a bit careful about the fairness issue, because while he's preaching fairness and rep by pop today, he has actually voted for legislation for provincial boundaries that throws that right out the window. I think you'd acknowledge that. The provincial boundary legislation that the government brought forward rejects proportional representation and has different boundaries for different areas and different sizes. So I'm not sure

that's actually a principle or one of convenience across the floor.

You talk about a gap; the buzzword is the "gap." Do you think there is also a gap between what Mississauga gets from the region and what they put into it? Do you pay more into the region than Mississauga gets back in services? If you address that, doesn't that hurt Brampton and Caledon?

Mr. Mercader: I think Brampton has publicly said that they enjoy the free ride. I think the free ride needs to come to an end.

Mr. Hudak: Well, he's very clear. You're certainly very bold with your statements.

As provincial legislators, we need to look at all the municipalities that are impacting the other regions. Would your advice to the government be that they should look at proportional representation for the rest of the regions in the province and address those seats as well?

Mr. Mercader: I'm not going to address what's going on in the rest of the province. All I know is what is going on here at the region of Peel and Mississauga.

The Chair: Thank you for your presentation.

DUFFERIN-PEEL CATHOLIC DISTRICT SCHOOL BOARD

The Chair: Dufferin-Peel Catholic District School Board, please come forward. Good afternoon. You have 10 minutes for your presentation. You may leave time within that 10 minutes for questions, if you wish. I would ask you to identify yourselves for the purposes of our recording Hansard.

Mr. Brad Teichman: My name is Brad Teichman. I'm a lawyer representing the Dufferin-Peel Catholic District School Board. With me is Ms. Stephanie Kox, who is a planner with the school board. We won't need the full 10 minutes, Mr. Chair.

The school board has no objection in principle to the draft bill. However, there is a technical or timing issue we'd like to bring to the committee's attention that could potentially cause problems for the school board.

As we know, the bill gives the municipalities an outside date of December 31 prior to an election year to determine the manner of selecting their regional representatives. If the municipalities take a decision, and such decision requires a redistribution of wards in any of the municipalities forming the region of Peel, those new wards might not be determined by the municipalities until some time well into the election year, the next one being 2006, because the bill does not provide for any timelines for the determination of the new wards during an election year. Moreover, there's a public process associated with the determination of new wards which can be lengthy. That's where the school boards come in, and let me explain what the problem is.

Under regulations made in the Education Act, the Municipal Property Assessment Corp. is required, before February 15 of an election year, to determine for each school board the population of that board's electoral

group who are resident in the municipalities. They have to make that determination of the electoral group by ward, if the municipality is divided into wards. We know that the municipalities in Peel are divided into wards, so by February 15, MPAC has to provide to the school boards—to the Catholic board, for example, the number of Catholic electors or people eligible to vote. MPAC has to do that by February 15. Then based on that information, the school boards, before March 31 during an election year, must determine the number of members or trustees who can be elected to the school board, as well as the distribution of those board members among the wards. The school boards then must report that information to the municipalities and the Minister of Education by March 31 of the election year.

MPAC, or the Municipal Property Assessment Corp., might not be able to satisfy the February 15 deadline, depending on when the wards are determined by the municipality. If MPAC can't meet the February 15 date, then the school boards might not be able to meet the March 31 date, which would put the school boards in a position of contravening their governing legislation. I note as well that the bill allows the December 31 date by which the municipalities are to make a decision—the bill provides for an extension of that date beyond December 31, which could exacerbate the school boards' problem.

As I said at the outset, the school boards take no position on the merits or the principles underlying the legislation. They have no problem with that. What we're asking the committee to consider is either changing the December 31 date or considering parallel amendments to the Education Act regulations so that the school boards will not be put out of bounds by a late decision by any of the municipalities.

I don't know if the committee members have any questions.

The Chair: Well, we will find out. Does that complete your presentation?

Mr. Teichman: Yes, that's the point we wish to bring to the committee's attention.

The Chair: Thank you. We have about six minutes, so there are about two minutes per caucus. We'll begin with the government in this rotation.

Mr. Duguid: Thank you, Mr. Teichman. I appreciate you bringing this issue to our attention.

I think timing is important here, because we are coming close to an election year next year. That's one of the reasons why, as I've said earlier in the day, we've needed to press forward with this, to make sure that a decision is made in time to allow the regional municipality and the local municipalities time to make whatever appropriate electoral adjustments they choose to make. I never personally thought of it in terms of the impact on the boards and the trustees who are running, but there's a similar impact on them as well.

If this legislation is passed this spring, is there not sufficient time between this spring and the new year to ensure that the new boundaries are set up and in place?

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Mr. Teichman: I don't think so, sir, because the way the legislation reads now, it allows the municipalities until December 31 to make their decision. If they make the decision late in December and that decision triggers the need for a redistribution or reconfiguration of wards, those wards might not be determined by the municipalities until sometime in 2006, which means MPAC might not be able to comply with their February 15 deadline. And then the school boards can't comply with their December 31 deadline. So perhaps if the date was changed from December 31 to October 31 of the year prior to the election year, it might allow MPAC and the municipalities sufficient time to meet the requirements of their governing legislation.

The Chair: Thank you. We'll move to the official opposition.

Mr. Ted Arnott (Waterloo-Wellington): Thank you very much for your presentation this afternoon. Unfortunately, our critic had to leave the room for a moment, but he asked me if I would ask on his behalf a question to you. Do you have any specific suggestions for amendments to this bill that you'd want to ask of this committee?

Mr. Teichman: The only amendment to the bill would be perhaps if the December 31 date was advanced so that, let's say, it was October 31, or if the December 31 date remains, that corresponding amendments would be made to the Education Act regulation so that the date for the school boards would be March 31 or later, if this happens.

Mr. Arnott: Again, very briefly, the rationale for such an amendment would be?

Mr. Teichman: Well, it's because the school boards have to report certain information to the municipalities by March 31. If they don't have the information sufficiently in advance of March 31 to do their analysis of the number of trustees to be elected and the distribution of trustees by electoral group among the wards, the school boards would not be complying with their legislation. I don't know if that answered your question.

Mr. Arnott: It's sufficient. Thank you very much.

The Chair: Thank you, and we'll move to the NDP.

Mr. Prue: This is quite novel. We haven't heard anything quite like this over the balance of the day. In terms of the time frames, you're suggesting October 31. That's for the municipalities themselves to set the new ward boundaries?

Mr. Teichman: No. That would be to make the decision under the legislation for the new regional representation. What I'm saying is, that would probably provide sufficient time for the municipalities, based on October 31, to establish the new ward boundaries and then for the Municipal Property Assessment Corp. to determine the Catholic electoral group by February 15 so the school boards can comply with the March 31 date.

Mr. Prue: Unless I'm mistaken—and you might not be the right person to answer this—even if the municipi-

palties set those ward boundaries, that is still appealable, I believe, to the Ontario Municipal Board.

Mr. Teichman: I understand it is.

Mr. Prue: So even if the municipalities set the dates, all it would need is one citizen or a group of citizens appealing to further set back the date and thereby set you further back and MPAC further back.

Mr. Teichman: I suppose that could happen, sir, yes.

Mr. Prue: Let's presuppose the OMB—because that was not figured in to what you originally told us, and I think what you told us was something I had not thought of either. If you factor in the OMB, is the October 31 date even still possible?

Mr. Teichman: No. I hadn't considered your point, and it's a good one. So perhaps October 31 is optimistic. Perhaps it should be earlier. I hadn't considered that point, the possibility of an appeal, but what I'm saying is, it's either advancing the December 31 date, make it sooner, or have a parallel amendment to the Education Act regulation so that if a school board doesn't have the information by March 31, that date is extended and the school board has a reasonable opportunity after receiving the information to make its determination.

Mr. Prue: A further option, I guess, would be to forget 2006 and aim for 2009.

Mr. Teichman: Well, it's really beyond my mandate to comment on that, sir.

Mr. Prue: All right. Thank you.

The Chair: Thank you for your presentation.

CITY OF MISSISSAUGA

The Chair: Janice Baker, would you please come forward? I've noted the smiles from persons when I repeat this, but I have to do it. You have 10 minutes for your presentation. You may leave time within that 10 minutes for questions if you wish. I would ask you to state your name for the purposes of Hansard.

Ms. Janice Baker: Thank you for the opportunity to address the committee today. My name is Janice Baker. I am the city manager for the city of Mississauga. Bill 186 is a very important piece of legislation for both the city of Mississauga and the region of Peel, as it represents fairer representation for our city's residents than they have had for many decades. I'm about to give the committee a little history lesson.

Today I will focus on the process by which the many city of Mississauga councils and city staff have dealt with the representation issue. It shows Mississauga's clear attempt to follow a consistently solid and inclusive path to try to rectify the imbalances on both councils. The question has been raised, "Why now, after 30 years?" Our response is, "Finally, after 30 years."

Mississauga's current nine-ward model has been in place since its inception in 1974, when the city and the region were created. The exact number of representatives from each of the three municipalities that make up Peel region was spelled out in the 1974 legislation. Mississauga councillors have always been both city and re-

gional councillors, each representing a separate ward. This representation model, where residents have a single point of contact, was recognized by Mr. Adams, the provincially appointed facilitator, as the preferred model. That model has served the residents of Mississauga well, and we want to retain it.

It has been suggested that we can solve the problems of a couple of wards by rebalancing the whole of council. We have already done this several times. Because Mississauga has been one of Canada's fastest-growing cities, we have had to amend the ward boundaries many times to rebalance the population of each ward. The ward boundaries were realigned for elections in 1978, 1985 and again in 1991. Every time we have realigned the wards, we have had to confront the issue of the councillor-to-resident ratio. However, each time the boundaries were amended, the number of wards remained unchanged. By 1987, it was clear that the realignment of ward boundaries was not enough and that the city needed to add more wards. City council directed a review of the matter, which resulted in a resolution to take the necessary steps to add additional wards representing Mississauga at regional council.

In 1991, an Ontario Municipal Board decision addressed not only a new ward configuration but also the issue of the number of wards. The board spoke to the need for a more permanent solution to the issue of councillor-to-resident representation at the region and called for a solution within an appropriate amount of time. That was in 1991, when our population was 465,000 people. Now, 14 years later, our population has grown to 695,000, and we still have the same number of seats at regional council.

Mississauga's population is 62% of the region, yet we have 48% of the representation. A pillar of a democratic system is representation by population, and this has not been the case in Peel for 30 years. Most recently, our city staff began again to work on identifying new ward boundary options in 2003. A report outlining two preferred ward alignment options was brought to city council in June 2004, and it should be noted that the report used similar criteria to those used in the previous OMB decision, including ward population, the percent variation from the average ward population, use of natural and artificial features, geographic form and area, impact on historic communities and communities of interest, impact on business improvement areas and the number of official ratepayer associations.

The two ward realignment options were circulated for comment to all ratepayer associations in Mississauga, Mississauga's three business improvement districts, the Peel District School Board, the Dufferin-Peel Catholic District School Board, the Mississauga Board of Trade, the Urban Development Institute, Peel Chapter, MPPs for Mississauga, the region of Peel, the city of Brampton and the town of Caledon. Last November, we reported on the comments we had received from that circulation, which were supportive of the proposal to add additional councillors, and we have the required public meeting scheduled for May 30, 2005, regarding this matter.

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I believe that in the description I have just presented regarding the process Mississauga has gone through, it is clear that talented professional staff have spent a phenomenal amount of time analyzing the information to ensure the residents have the best possible representation at both the city and regional level. The OMB members also saw the need for more wards. This process has not been haphazard or rushed, but rather an organized, sound and common-sense approach handled by seasoned professionals in the pursuit of fairer representation for its citizens.

I would like to remind the committee that if new ward boundaries are not in place by the end of this calendar year, Mississauga will not have better representation in time for the 2006 municipal elections. That would mean another three years before Mississauga could hope to have equitable representation. As I indicated earlier, 62% of the region's population lives in Mississauga. With the proposed two additional councillors on regional council, Mississauga will have 50% of the representation. This is a reasonable and modest approach to starting to address a long-standing imbalance. We have done our work, as we always do in Mississauga, in a consistently professional fashion.

Thank you for your time. I would be happy to answer any questions.

The Chair: Thank you. We have about a minute per caucus, and we'll begin with the official opposition.

Mr. Hudak: Thanks for the presentation. Maybe, from your experience with the city, you could describe how the region fails to function in Mississauga's best interests. What would this change in representation help to address, from the city's point of view?

Ms. Baker: I think they're two different questions, quite frankly. In terms of how the region fails to work with the city in terms of our function, we've identified many areas where there is overlap and duplication between the regional functions and the city's functions. In fact, when the mayor speaks, we're going to be distributing a rather large brief that we gave to Mr. Adams, the facilitator. Within that, you will find a 17-page document prepared by our planning staff showing areas where we feel that regional planning responsibilities could be reduced and in fact could be transferred to the lower tier.

With respect to the second part of your question on representation, I think our view is that this is progress. Anything that gets us closer to representation by population is certainly something that we would support.

Mr. Hudak: The overlap—

The Chair: Thank you. There was only a minute per caucus, Mr. Hudak. Mr. Prue?

Mr. Prue: OK, I've got one minute. Your dilemma in terms of Mississauga trying to get 11 wards versus nine would be resolved—just that dilemma—whether it was two additional seats for you and one for Brampton, or two for you and five for Brampton, would it not? I'm going to leave the other issue out for a minute. What you need is two.

Ms. Baker: What we need is representation by population that's here today and not representation by population for the future. I think the principle of representation by population is the one that we're after. There's been a concern expressed about Brampton's future growth. I think our position has been that we have no concerns, as time goes past and as growth actually occurs, that Brampton would get additional seats. Representation by population—well, what's good for the goose is good for the gander, and it has to apply to Caledon as well.

Mr. Prue: But my question is that you require the two seats in order to redress the structural problems inside Mississauga. Notwithstanding, if you get the two seats, that will resolve that problem. The other thing is a different argument. I understand that.

Ms. Baker: But they are inextricably linked. We are not going to alter our local representation if we also cannot address the issue at the region. Our system is such that each of our councillors sits both on local council and regional council. We do not want to go to a council, as others have, where you have some councillors who sit at the region and some that do not. So in our view, they are not two separate issues.

The Chair: We will move to the government.

Mr. Peterson: Thank you, Janice. It's great to have you continuing the excellent management we've had in the city of Mississauga. We're really talking today about population without representation. In another time and another country, there was taxation without representation and that resulted in the Boston Tea Party. If we don't pass this legislation giving better representation by population, will you join me on the bridge at the Lakeshore over the Credit River for the Mississauga Tea Party?

Ms. Baker: Mr. Peterson, I'd be happy to, and being from Newfoundland, I'll even bring Tetley tea. How's that?

The Chair: Thank you for the presentation.

CITY OF MISSISSAUGA

The Chair: The city of Mississauga. Good afternoon. You have 20 minutes for your presentation. You may leave time for questioning if you wish within that 20 minutes, and I would ask you to identify yourself for the recording Hansard.

Ms. Hazel McCallion: Hazel McCallion, mayor of the city of Mississauga.

I appreciate the opportunity to appear before you today and to present the city of Mississauga's case.

First of all, the citizens' task force, Brad Butt, has clearly indicated to you as to how we got to where we did by looking at the future of Mississauga. That report came to council, and then we proceeded to involve the public in many, many ways. We held public meetings; I sent a letter out to every resident in Mississauga with a return card to be sent back to us; we asked Environics to do a study; the councillors held public meetings in the differ-

ent wards. It was a great, great debate, public participation, and so we really did our homework in regard to consulting the public.

We have resolutions that you'll see in this book—by the way, I have a copy for each member of the committee; it's being distributed now—support from many, many organizations in Mississauga, as well as from individual citizens. I spoke on many, many occasions on the issues. Our MPPs have studied. We met with them and briefed them thoroughly on numerous occasions to make sure that they understood the situation. So let there be no doubt that we have the full support of our residents to separate from the region of Peel.

One of the reasons is the representation that's been well covered by a number of deputants; duplication and overlapping of services; fair representation of Mississauga residents at the region. Now, this has been going on for 30 years. We have been under-represented for 30 years. Caledon has been over-represented for 30 years. When you think that we have 10 people on regional council, Brampton has six and Caledon—in 1974, the population of Mississauga was 219,000; we had 10, Brampton had six, and Caledon had five, for somewhere around 30,000 to 35,000 people. So it really was screwed up from day one in regard to the representation.

We knew the inequity existed, and one of the reasons the region of Peel has been a success is the major contribution made by the city of Mississauga with the 10 people who have represented. I've been on the regional council for the 30 years that the region has existed. Some of my councillors have 18, 16 and 14 years. There have been many changes in the city of Brampton and the town of Caledon representation on regional council. We have done our homework. We hired an independent financial consultant to study the financial impact of the city pulling out of regional government, and they estimated that we could save \$32 million a year. If we pulled out of the region of Peel, Caledon's taxes would go up 12% and Brampton's would go up between 7% and 8%, so that gives you an idea that the taxpayers of Mississauga have been subsidizing the taxpayers of Brampton and Caledon for 30 years. The time has come that our costs are increasing. We're a mature city, our taxes are going up, and therefore we can no longer be subsidizing the property taxpayers of Brampton and the town of Caledon.

After going down to the province and meeting with the Premier, we got the message, "We're not going to support separation from the region of Peel." So we came back to the city of Mississauga, put our heads together and said, "How do we deal with it?" We came up with plan B, which means the region would remain, and that document is in here. We submitted that document informally to the two mayors, the mayor of Brampton and the mayor of Caledon. I asked them to take it to their councils and let us have their comments as to what they thought about it. We did not hear back. Then, after council endorsed plan B, we transmitted it to Brampton and Caledon. The mayor of Brampton acknowledged it and said she would refer it to her council for consider-

ation. We have never heard from them. The mayor of Caledon acknowledged it and said that the only concern she would not support would be Mississauga having a majority vote in the region. Those were the only comments that we ever received from the two municipalities. We were prepared to discuss the issue.

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Needless to say, we did not take it to the region of Peel council, because how in the world would you ever win with the voting situation that exists there? In other words, we would be asking the mayor of Brampton to vote to increase their taxes and the mayor of Caledon to vote to increase their taxes. I don't know what mayor would do that.

So we felt we had to go to the province. We took plan B to the province, and it took quite a while for them to come back and say that they would like to appoint a facilitator. They asked us for suggestions. We recommended a very experienced person who is at the local, regional level to do the job, because he had worked for the province on the restructuring of government in a number of places in the province. Instead, the province appointed a judge. I recall the first day we met with him, and he said, "I know very little about local or regional government. I'm a facilitator, and my job is to try to get a consensus. That's my job." We asked him, "Will you make recommendations?" and he said, "Well, I don't know."

We went through the process. He met individually, he met jointly. Then the proposal brought forward by the mayor of Brampton was that they wanted five more members; they didn't want any change to Caledon. I unequivocally said to the commissioner, "Under no circumstances will my council support that." There was no consensus. When you read the facilitator's report, he too said that there may be a consensus forged; he didn't say there was a consensus. So I want to clear away that myth that there was a consensus. We then proceeded to deal with the issue with the province and submitted reports, hoping that a decision would be made very quickly because of our ward boundaries and the need to go forward.

Bill 186: Let me deal with it. It is definitely not what we want. But when you get a little progress in something that has been stalemated for 30 years, you've got to show interest and support. So we do support Bill 186 in giving us representation.

By the way, the province has directed us to sit down and look at what Mississauga has been saying for years: Realign the services of the region of Peel for the benefit of the taxpayers of the region of Peel. Duplication and overlapping in government today has got to end because of the way our property taxes are increasing.

We agree that when they get the population, Brampton should have—I hope that Brampton will not suffer what we suffered for 30 years. We've gone from 219,000 to 700,000, and we've had no change in our representation. We would not want that to happen to Brampton. But I've got to tell you that if Brampton's representation goes up, then I think Caledon's should come down. Otherwise,

you're going to create a huge regional council. I think there are too many people today. Look what happened in Toronto.

We would like what the Peel Board of Education has. Their makeup is 12 trustees, one for Caledon, four for Brampton and seven for Mississauga. Do you know what? Mississauga has control of the vote at the Peel District School Board, and it seems to operate extremely well.

So I say that we do want Bill 186 passed, and I think it should be passed very quickly.

We have made a major contribution to the region of Peel. I can tell you that we are not prepared any longer to subsidize Brampton and Caledon taxpayers. We're all faced with challenges. I just came from the large urban mayors' meeting, and everybody is worried about the increase in property taxes.

This book contains all the information. We did our homework, because I don't believe that you go to government with just a request to do something. We did our homework, we got the independent financial statement—not our statement of figures; it's independent—and all of it is in here. I think when you want to do something, you have to do it right, and you have to give the necessary background and data for those in the decision-making process to make the right decisions.

I'd be glad to answer any questions.

The Chair: Thank you. We have about three minutes per caucus. We begin this rotation with the NDP.

Mr. Prue: I'd just like clarification, because I've reread what the learned justice had to say. I'd like to quote, because some people are saying this was a signal that there was some kind of agreement from the mayors and you're saying there was not. I'd just like to hear precisely your view on his statement here when he says, "The discussion over these four days of talks, albeit heated and even gut-wrenching at times, exhibited a remarkable capacity by the mayors to work together."

Ms. McCallion: I don't really know what he meant by that, because, quite honestly, I think when it came to the realignment of services that we dealt with, there was some support for looking at planning and works etc.—there definitely was—that it should be looked at.

The only problem with that is that with the things that Mississauga wants to do to realign the services—and I said to the facilitator, "Who will make the final decision, if we sit down and discuss this?" which we are now directed to do, and we look forward to it; we're going to be ready to do it immediately following the passing of the bill. "Who will make the decision if there is a deadlock in the way it should be done?"

Because of the vote at regional council—weighted assessment is the reason why we subsidize the taxpayers of Brampton and Caledon. We would like services to be allocated based on per capita. Police is; garbage collection is. The tonnage that we contribute to waste disposal is on a tonnage basis. We believe that the services should be allocated based on use. If we produce more garbage, we should pay for more garbage.

But when it came to representation, I very clearly stated to the facilitator that under no circumstances would my council agree to representation without population. I think it's a new democracy that I haven't really—now, I have to admit that Caledon does have that. They have representation without population.

Mr. Prue: That's what I want to get to, if I have a minute or two left.

The Chair: You do; you have about a minute.

Mr. Prue: We all know that Brampton is going to expand. Brampton is expanding at a huge rate; we know that. You can argue whether you're going to look ahead or not look ahead, but the problem seems to be that, with the greenbelt legislation, the reality is that Caledon will probably never expand much beyond its current levels. So Caledon will never have, say, 100,000 people. Caledon will be surrounded by farms and greenbelt and rolling hills. That's what the government intends. Do you think Caledon is the sticking block and not Brampton? Because it's mostly Brampton that is challenging this legislation.

Ms. McCallion: Well, I understand Caledon is challenging it.

Mr. Prue: They are there as well, yes.

Ms. McCallion: Well, I can't figure it out, because the province has done nothing to Caledon's representation, and they really should have. But the point is, that was a decision they made, and what can we do about it? I would hope that if Brampton gets more representation—which they should and which we would support when the population is there—Caledon's representation would go down and bring it more in line with the people they represent.

1510

Let me give you an example. We get \$41,000 a year as a regional councillor. A regional councillor in Caledon represents about 10,000 people. A regional councillor like Councillor Saito, who spoke, represents 116,000 people. They both get paid the same amount for representing the population. Secondly, I think you should also know that the taxpayers of Mississauga pay a greater amount of salary to the regional councillors of Caledon than their own taxpayers do.

The Chair: Thank you. We'll move to the government.

Mr. Duguid: I'll ask two questions, in the interests of time. I probably won't get time to get back for the second one. John Tory has indicated that he opposes this bill. Worse than that, he's failed to take a clear position on what he would do if he were in government. In fact, he's riding the fence. The first question is, do you believe any politician wishing to represent this province owes it to the people of Peel to take a clear position on this?

Secondly, there's been a lot of talk about concerns regarding the new Peel council being deadlocked in choosing a chair. I've said, and the Premier and the minister have said on numerous occasions, that we're quite confident, given yourself and your colleagues, that you'd be quite capable of coming to a consensus on choosing

somebody who would be able to represent the interests of Peel. Do you agree that you and your colleagues would be capable of reaching a consensus and avoiding a deadlock in choosing a chair?

Ms. McCallion: Let me answer your first question. I don't know what the Leader of the Opposition knows about our presentation. I have never had a call from him to explain our situation. He did call me the day the legislation went before the House. My best advice to him, as I would say to anybody, is to do your homework before you take a position. Therefore, you should learn what we are providing when taking a position. I noticed the day he made the presentation in the House, he did talk about process more than the content of what we wish to do.

Your second question was in connection with?

Mr. Duguid: With the potential for a deadlock in choosing a chair.

Ms. McCallion: Well, we have deadlocks. There are deadlocks in many municipalities, and there's always a way to find a way out of it. I don't see a problem at all. I must say that when your government was thinking about electing the chairman, which I heard, I want you to know that we did not support that as a council. I don't know why, because if we had, I'm sure the next chair of the region of Peel could be a Mississauga person. But we were, again, trying to compromise. We have compromised all the way on this. My biggest disappointment is that Brampton and Caledon have never responded officially to the city of Mississauga in this regard. I think it is a sad situation. I don't know why, but there's been a lot of opposition to it in the last while, when the government made a decision.

The Chair: Thank you. We'll move to the official opposition.

Mr. Hudak: Your Worship, thank you very much for your presentation today.

To the parliamentary assistant, on what's been a largely non-partisan afternoon, he likes to take these shots. Brad Duguid is not that kind of guy. I don't think you're right in that. I think it's that fellow behind you, or maybe the Premier's office tells you to read those things. At least John Tory has taken a position and stuck to it, Brad. I could take out about this much paper from my binder to show you about 20 different letters and broken promises by Dalton McGuinty on this topic. He told Mayor Fennell one thing; he told Chairman Kolb something else; he told Mayor Morrison something else. He's been in the paper saying that he wouldn't restructure. So please, no lectures on consistency from the party of Premier Pinocchio. Sorry; I had to get a little partisan there in return.

Your Worship, I appreciate this presentation, particularly the thick blue binder. It's a lot of homework for us to do. You talked about weighted assessment, and you have a list of those services where Mississauga pays a significant portion of taxes but receives a lot less in benefits: regional roads, long-term-care facilities, heritage facilities, land ambulance and PIL revenues. Caledon and Brampton would be nervous, I think justifiably so,

that that would shift back to their municipalities if Mississauga had two more seats and 50% of council. Are their fears justified? If we get the new seats, will we see these things shift to the other municipalities?

Ms. McCallion: That's why we want to deal with the realignment of service and sit down and discuss it. There are regional roads in Caledon. There shouldn't be regional roads. The regional roads are a can of worms.

What Mississauga has been doing is taking over regional roads. We want control of our roads. We feel the development along the regional roads, the access to it, the signage on it is not our responsibility when it's a regional road.

Also, we're often involved in controversies: the Khalsa Day parade, which occurred just a while ago. I think we had three to four meetings in my board with regional staff sitting there, because, you know, they're going to go on a regional road; city staff sitting here, because they also go on a city road. What a waste of time.

So we want to take over the regional roads. We want to be responsible for the roads of Mississauga. It shouldn't be a problem for Brampton, but it will be a problem for Caledon. There's no question about it. I think there is a solution to that that we would propose. We're prepared. We're prepared to work to find solutions, but we want to control it.

You know, I say to you folks, it's hard for me as mayor of the sixth-largest city in Canada, third-largest in Ontario. I sat beside the mayor of Barrie today, the mayor of Windsor, the mayor of London, and they have more authority than I have as mayor of the sixth-largest city in Canada. The Davis government created a situation where a monster was born in the region of Peel, and that's the city of Mississauga.

Mr. Hudak: One of the points you've made very consistently was it's been an issue for Mississauga for 30 years since the region was originally created, and you did make a point that I wanted to explore as well. You talked about somebody from Brampton, if Brampton continues to grow, and making sure they get their fair share. Do you think we should have an amendment to this bill that if Brampton does grow quickly, we should revisit the seats at regional council? Is that as fair to Brampton as this bill would be fair to Mississauga?

Ms. McCallion: Well, let's put it this way: I would hope that Brampton will not be treated the way that we've been treated for 30 years, or anybody would be treated that way. That is, if Brampton's population grows, as I've said, we would not object to their receiving more representation, but we make it conditional on that Caledon goes down, or else you're going to create a monster council, like was created in Toronto by the province, and then they had to go back and reduce it. What we need to do is balance it and go along the lines of the school board. That's it. That exists now.

The Chair: Thank you for your presentation.

ECONOMIC DEVELOPMENT ADVISORY COUNCIL

The Chair: I call on the Economic Development Advisory Council to come forward. Good afternoon. You have 10 minutes for your presentation. You may leave time within those 10 minutes for questions if you wish. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Steven Offer: My name is Steven Offer, and I am chair of the Economic Development Advisory Council for the city of Mississauga. I begin by thanking you for the opportunity of presenting our position.

You should know—and some might—that not long ago, I had the honour of representing the riding of Mississauga North as the member of provincial Parliament. That was from 1985 until 1995. As such, I have some understanding as to the time constraints and workload you face on a day-to-day basis. It is appreciated that we are given this opportunity today.

Mr. Chair and members of the committee, EDAC is a business education advisory committee whose mandate includes identifying issues that affect the city of Mississauga's ability to attract and retain business. We are a group of volunteers who regularly meet throughout the year to both table and address issues which affect Mississauga. More specifically, this includes: identifying issues that impact Mississauga's ability to attract and retain business; bringing forward ideas for attracting and retaining business; acting as a sounding board in response to issues and initiatives; and determining appropriate actions to deal with those issues and initiatives.

Today, I come before you as a representative of our committee and to let you know that we have examined and been involved in this issue for some time. EDAC met on numerous occasions well over a year ago to both understand the issues and formulate a position. In fact, in our analysis, we invited the mayor and city manager to attend our meeting and respond to our questions, which they did.

1520

Following these discussions as a committee, and with the mayor and city of Mississauga, we co-hosted a public meeting. In fact, it is coincidental that it was almost one year ago to this day—May 11, 2004, to be exact—that we co-hosted a meeting concerning the future of the city of Mississauga and to deal with the issue of Mississauga's place within the region of Peel.

At that meeting, which was attended by over 60 representative groups from the business community and education sector of the city, it was clear that change had to occur; the status quo was no longer acceptable. The population growth of Mississauga demanded change to the representative framework. Let it be clearly understood that EDAC fully supports the legislation as tabled and urges its speedy passage into law without amendment. Following that public meeting, I, on behalf of our committee, wrote to the Premier indicating our support for such change.

Mr. Chair and members of this committee, we're in favour of this legislation because it is founded on consultation and fairness. It is a recognition of the growth of the city of Mississauga and of the need for change in its place within the region of Peel. Within the region of Peel—I know that you have heard this throughout the day—Mississauga now accounts for 62% of the population but today only has 48% of the vote on regional council. This legislation moves to remedying the imbalance.

This is a piece of legislation whose importance must not be measured in the length of the bill—six sections—or the number of pages—three in total. This legislation is important because it puts in place the framework which fundamentally alters and improves representation not only within the region of Peel but throughout the city of Mississauga. We are in favour of the addition of the two seats for Mississauga, from the current 10 to 12. This is a bill of fairness; this is a bill of responsiveness; this is a bill which reflects the reality of Mississauga and its place within Peel.

I know that there will be other matters which you will be involved in. There will be issues of great social import and, of course, financial significance. But this bill in its current form gives to the people of Mississauga a representative framework that is more in line with the growth of the city and its place as the sixth-largest city in Canada.

On behalf of the Economic Development Advisory Council, I urge you to move this bill forward without amendment and its speedy passage into law. I thank you very much.

The Chair: We have a little less than two minutes per caucus. We begin with the government side.

Mr. Delaney: Thank you, and welcome, Steven. The first job I ever had that someone else had before me is the one I have now, and you were one of my predecessors.

Could you tell me, from your own experience—I'm going to ask you as an MPP—about the growth that you saw in the city of Mississauga in the years 1985 to 1995, when you represented Mississauga North, and as a very active business person since—the growth that you've seen and the way in which it's changed since?

Mr. Offer: Thank you very much for the question. I will say that when I was first elected in 1985, the riding of Mississauga North, as it was part of Mississauga, was much smaller in population, of course, than it is now. Mississauga has grown over the years to what it is now. I think it was at one point 250,000, 300,000, and it now represents about 680,000 people.

It is important that the representative framework for the people reflect that growth. You know, I see members of the three parties, and you sit here truly in representative proportion to the last election. This legislation gives to the city what you now have as a committee. We believe that it must reflect the growth that has taken place in the city and its place within the region of Peel.

The Chair: We'll move to the official opposition.

Mr. Hudak: Mr. Offer, thanks very much. It's great to have a member who has experience in the Legislature

as well as your experience in the business world here today.

I appreciate your analogy. But if truth be told, there is a concern that Caledon and Brampton and some other municipalities would have. You give an analogy of the representation at committee. We keep seeing over and over again that the government will pass bills without much consultation or very few amendments by the opposition. Basically, the will of the majority has their way every time. I'm not convinced that that's a precedent that's going to make the smaller municipalities very happy. All parties have been guilty of that over their time. I'm not colouring one party different than others, but I'm saying that majority governments will tend to get their way all of the time and the opposition, the smaller groups, which would be Caledon and Brampton, wouldn't get that.

The point I want to ask you about is this: You said "without amendment," and I know you're enthusiastic about the legislation and you want to see it passed. You're very clear about that. There are some aspects of the bill, though, that we've heard some very good arguments for amending, whether you agree with the seats or not, one being the appointment of the chair as opposed to election. You used the word "appointment" and not "election." There's no mechanism to split a tie if a tie were to occur. Section 4 of the act gives the Minister of Municipal Affairs and Housing extraordinary powers that are, in his opinion, "necessary or expedient to conduct the regular election in 2006," including setting ward boundaries for Brampton, Caledon and Mississauga. These are pretty significant powers. Would you at least think that maybe these need to be amended or have a solid second look at?

Mr. Offer: No. I actually have thought of that, and I thank you for the question. I guess I hearken back to my days as a representative. It doesn't matter what party one represents or if they represent any party. I am an individual who believes that people will, in the end, work together. I don't subscribe to this block type of vote where there are equal votes on one side or the other.

I have had, and I'm sure that all members here have had, experience where there is a greater will. The greater will is that when one talks about block votes, 12 on one side, 12 on the other, that's the world of the mathematician; it's not the world of the politician. Politicians are moved by the world of representing their people and making things work.

Yes, sometimes one looks at numbers, as I say, 12 on one side, 12 on the other, and it obviously can't work. That is not the world of political representation that I believe we are all either part of or have been part of. Politicians make these things work, and I believe that the framework of this bill is right, it's proper, it's workable, and it's workable because it's not run by mathematicians, it's run by individuals elected by their constituents who are charged with the responsibility of making their city, their region or their province work. This bill embraces that.

The Chair: We'll move to the NDP.

Mr. Prue: I'm puzzled a little by one statement you made, that you think that there was adequate and fair consultation. I think that's the way you phrased it. We have had people bringing us information all day. The mayors of Caledon and Brampton said they were not consulted at all, merely called in and told what the legislation would be the day before it was introduced. The councils have never been consulted. The regional municipality, Mr. Kolb, was never consulted. The people, the business associations—the line-up was enormous. You are first one—and even of those in favour this afternoon—who has said there was adequate consultation. Were you consulted?

Mr. Offer: As a matter of fact, I view this as a long process. I must tell you, I am surprised that there would be a concern raised over the process that was undertaken. I tell you that as the chair of the Economic Development Advisory Council for the city of Mississauga, which is a group of volunteers who meet on a regular basis, we have been involved in this area of issue for well over a year. We are aware of the work that has been done by the city of Mississauga, the youth group, the citizens' group. We're aware of the report that was made. I believe that's all part of the consultative process. It has resulted in the bill that we are speaking about today, but I am taken aback when people think that this might be a surprise. This has been going on for quite some time, and I believe that the bill is the product of all the consultation, the process and the opportunity to input for well over a year.

1530

Mr. Prue: The member for Brampton Centre, who is a Liberal caucus member, has made a statement in the House and to the press that she was assured that this bill was not coming forward, that it was not on the radar, and that kind of thing. She does not feel that she was consulted, even as a member of government. Then again, I still have to ask you the question.

Mr. Offer: I'm going to have to hearken back to between 1985 and 1995. I think that might be a question that's better posed to the other side. I can only tell you that as a citizen of the city of Mississauga, I don't feel I was left out of the consultative process. I do not believe that I was ever not able to provide input or opinion as to this particular issue. I will stand aside and I certainly would not comment on what some other person might say, but I can tell you, from my perspective and as the chair of our council which represents education and business throughout the city, they were well aware of the consultative process and the opportunity for input. This bill is just the outsource of all that which has taken place.

The Chair: Thank you for your presentation.

STEPHEN WAHL

The Chair: Good afternoon. You have 10 minutes for your presentation. You may choose to leave time within that 10 minutes for questions if you wish.

Mr. Stephen Wahl: I am Stephen Wahl, citizen of the city of Mississauga, in the region of Peel, in the province of Ontario, Dominion of Canada, proudly. I'm a private citizen. I appreciate my privileges under the charter of rights, and I take my duties and responsibilities under the Charter of Rights and as a citizen seriously, which is why I have contributed, over the years, thousands of hours of volunteer time in the city, in various organizations. I've also just gotten my silver blood donor card.

I'm here to speak as not in favour of Bill 186. For me, as a citizen—and I've been involved and I've been watching things going on here in Mississauga—for all its laudable sense of purpose, Bill 186 will at best make no difference in the way things are really done here. Representation by population within the realm of Mississauga, in fact worldwide, is genuinely a myth. It's an ideal. I believe in that ideal of representation by population, but such is not the fact here in Mississauga. Bill 186, giving two extra seats to our mayor on council, will not represent the population, the people who elect those representatives.

Here are a few examples of where I personally feel, and it's on record, the citizens of Mississauga have not been represented either by their population or by their representatives elected to do so.

There was a development in the largest ward in Mississauga, and there was a heritage property on that development as well as an environmental situation. The representative of the city, the councillor, sat with the landowner at a heritage advisory meeting where myself, other citizens, members of the advisory committee, members of the heritage organizations and members of a local neighbourhood association sat. Who did the councillor represent, sit shoulder to shoulder with at that meeting? He sat with a developer, the owner of land in the ward, not a landowner in the ward, not a citizen, not even a constituent.

Most of the issues relate to heritage and environment, because those are the two main groups I'm involved in. On Mississauga Road, near Woodchuck Lane, Mississauga possessed one of the finest heritage homes in the province. A person bought that property, became the landowner and wanted to demolish that fine home and build another legendary structure of their own. That home was delisted, given a demolition permit, and the property owners got to build their new house. The ward councillor did not inform the heritage advisory committee, did not inform the residents, did not inform the citizens. It went quietly, and only through the freedom of information act was that little bit of information obtained. Whom did that elected official in that ward represent? I don't know. Will Bill 186, giving two more seats on the region, help the citizens with that?

Another situation recently took place. The same guy, different ward, buys a property, wants to demolish a heritage home to build another one of his legendary properties. That home, to end the discussion, was demolished without a permit. The city, five days later, issued that permit for demolition and then quickly issued a building

permit. Were the citizens represented by that ward councillor? Were the citizens represented by our staff, by our mayor? Where's the representation by population there? What difference will Bill 186, giving two more seats to Mississauga on regional council, make? What difference will that make to our representation as citizens; not developers, not landowners, not businesses, but as citizens of Mississauga, what will our representation be? How will that be increased?

An initiative of my own in the centre of Mississauga, at the very centre, a natural environmental heritage asset: demolished. I was given the opportunity to speak, in all fairness. Yes, I spoke many times to this issue at our city council and planning, and nobody listened. The process was done, and the purpose was lost.

In Canada we're entitled to peace, order and good governance. In Peel and on our council as it existed, we had harmony. We didn't necessarily have symmetry, we didn't have balance; we had harmony. When it was observed that, yes, it's working—it's not balanced, but it's working, it's harmonious—it was then broken. Then something had to be done, so we had to get Bill 186. We just had to do something, and I see the good intentions in that. So the provincial government chose balance. I won't give my friends in the government the benefit of the doubt, because I don't doubt that you had good intentions. For anywhere else, that makes sense. That is what should happen. A balance, representation by population, should work. The intention is there. It can work, it should work, we want it to work, but from all my experiences here in Mississauga, it does not.

One of the numbers I'll give—I'm tired of being referred to as a number. I'm tired of being referred to as a taxpayer—I am a taxpayer. I'm tired of being referred to as a consumer in Mississauga. I'm a citizen. I do use our services from the city and from the region, but I am not a consumer; I'm not just a taxpayer. We've lost the harmony, and now through a formula that should work—it could, but will it? You've chosen balance, but it's not an equal balance. You have a ton of feathers, you have a ton of bricks, and that's being balanced on the back of the chair. Which way is the chair going to twitch when the time comes? Some of the feathers are going to get blown off; some of the bricks will get pushed off. Where's the balance? It's not equal.

There are retrofit issues that are not the fault of the region or the doing of the region, and we've never been denied anything as citizens from the region. We've got the Britannia landfill. The city of Mississauga council—not regional council—begins by approving planning of housing in subdivisions right up to the fences of the Britannia landfill. Then they're flooded by complaints from citizens. Well, gee, what a wonder. How did that happen? We've approved it right up to the dump, we've told everyone well, yes, we are—no real answer. But they built it up, they get the complaints and they close it.

Then another issue is heritage and planning. There's a place referred to as Mount Charles. It's a designated heritage site under the Ontario Heritage Act, at Dixie and

Derry Roads, a fine group of structures. Everybody wanted this to work. There's a major regional road restructuring there, a multi-million dollar project to improve that intersection within the boundaries of Mississauga. When the heritage committee and myself approached the region and the landowner to say, "What can we do with this, how can we save it?" the region was responsive, the regional planning department was responsive and the regional councillor for the area was responsive.

If I may, I've been waiting three years for this, so I would like to continue—

The Chair: You have about a minute left.

Mr. Wahl: The regional councillor was responsive. Things were moving along and even the landowner was making a half-hearted effort to preserve the building and its structure. Mysteriously, the city ward councillor kind of got pulled away from the situation, but that's no surprise, because only in Mississauga the city ward council-

lors and the regional councillors are the same person. How are two more seats on regional council going to help represent by population?

We all know, and everyone before me has said, it's not over. We all know the real goal. The mayor will fight on. She said so in my face just days ago and here in front of all of you just now. I'm told that the province, upon further request, will say no. That's great, but what will prevent all this continued waste of time, effort and money of the city and the citizens? Who will say no? Who will tell the mayor, the council and staff to stop this nonsense and get back to work for the citizens?

The Chair: Thank you. You have used your 10 minutes. We appreciate your comments.

The Churchill Meadows Residents' Association? I was advised that they may not be in the room. We are adjourned.

The committee adjourned at 1539.

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Also taking part / Autres participants et participantes

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Thursday 19 May 2005

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Jeudi 19 mai 2005

Standing committee on finance and economic affairs

Regional Municipality
of Peel Act, 2005

Comité permanent des finances et des affaires économiques

Loi de 2005 sur la
municipalité régionale de Peel



Chair: Pat Hoy
Clerk: Trevor Day

Président : Pat Hoy
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Thursday 19 May 2005

Jeudi 19 mai 2005

*The committee met at 1002 in room 151.*REGIONAL MUNICIPALITY
OF PEEL ACT, 2005LOI DE 2005 SUR LA MUNICIPALITÉ
RÉGIONALE DE PEEL

Consideration of Bill 186, An Act respecting the composition of the council of The Regional Municipality of Peel / Projet de loi 186, Loi traitant de la composition du conseil de la municipalité régionale de Peel.

The Vice-Chair (Mr. Phil McNeely): The standing committee on finance and economic affairs will now come to order for clause-by-clause consideration of Bill 186, An Act respecting the composition of the council of The Regional Municipality of Peel.

Are there any comments, questions or amendments, and, if so, to which sections? All amendments have been filed with the clerk.

The first proposed amendment, number 1, is to be moved by Mr. Hudak.

Mr. Tim Hudak (Erie-Lincoln): Thank you very much, Chair, and a good morning to my colleagues at the committee and those who are visiting from the constituent municipalities and from the ministry. Can you give me a sec, Chair? I was having a preliminary conversation with one of my colleagues, so I need to flip through my binder.

While I have a great deal of respect for my colleagues opposite—all of them very talented individuals—I do want to note with regret that there are no members from Brampton sitting here at the table today. We had brought this up at the hearings in Peel and—

Interjection.

Mr. Hudak: With respect, Mr. Chair, I'm just going to finish my opening comments.

When we were in Peel for the hearings, we were told that those hearings weren't as important and that that was just listening. The actual votes would take place at clause-by-clause on Thursday, May 19. I guess that's where the rubber hits the road. I know Ms. Jeffrey is here in the audience listening. It's good to see you're here at committee. I do regret the evidence that the whip must be holding back the Brampton members from being here to vote and to defend their community against this legislation.

So, Chair, we'll move on with the amendment package, which I know is before me somewhere in my binder. The very first amendment is a good one and one that I'm pleased to move.

I move that subsection 1(1) of the bill be amended by striking out "25" in the portion before paragraph 1 and substituting "26."

The Vice-Chair: Would you like to speak to the amendment?

Mr. Hudak: Yes, Chair. In fact, I expect Mr. Prue has the same way of trying to work closely with the communities impacted by this bill. This one comes from the city of Brampton. I congratulate Mayor Fennell and her council for the very strong stance against the undemocratic changes to the construction of Peel region if Bill 186 passes. Not only did they make a very strong and convincing argument at committee, but they were good enough to pass on a number of proposed amendments. This would be one that the city of Brampton supports, and therefore I'm pleased to move it and look forward to debate and hopefully its passage to improve the bill.

Mr. Brad Duguid (Scarborough Centre): I appreciate the motion in front of us. I'm assuming that this motion was moved in order to accommodate a subsequent motion to add an additional representative for Brampton. I assume that's where this motion fits in.

I guess to respond first off to the suggestion or the comments about the makeup of our committee today and who happens to be sitting on it, I have some disappointment myself as well on the makeup of the other side, both today but in particular during the hearings where the Leader of the Opposition appeared at one hearing in Brampton to hear one side of the story but never had the courage to appear at the hearing in Mississauga. Frankly, had he appeared in Mississauga, it's quite likely that this approach to increase the representation of one side that diminishes the representation by population of the Mississauga side may not have taken place.

I suggest that what we're trying to achieve with this legislation is balance. We're increasing the level of representation by population, improving the ratio of representation by population, with the additional seat for Brampton and the two additional seats for Mississauga. What this does is go in the opposite direction, taken with a subsequent motion, to add an additional councillor to

Brampton without adding any more to Mississauga. It creates a situation where Mississauga, which is already hard done by in terms of representation by population on any of the models—it makes it even worse. I would suggest that this is a motion that I would probably characterize as anti-representation by population and, given the situation that Mississauga's in now, anti-Mississauga. Certainly I'm surprised to see it here before us today, but it's here and I would recommend that my colleagues vote in opposition to this motion.

Mr. Hudak: Obviously I need to respond to Mr. Duguid's statements. He did this at the committee hearing in Mississauga and Brampton too. He likes to throw a few partisan shots at my leader so in due course I'll respond.

He should know, as I said at the beginning, that this was an amendment recommended by the city of Brampton which I'm pleased to introduce on their behalf. There was a great deal of concern we heard at the hearings about a potential paralysis of the region because there would be an even number of councillors on Peel regional council if this bill were to pass in its present form. That could be a recipe for a paralyzed region and give the chair probably an unenviable position of having to break a lot of ties if people vote along municipal lines. Brampton's amendment, they would probably argue—and they did, at the committee, quite well—would recognize Brampton's potential growth, as well as ensure that that paralysis would not take place.

I was proud that our leader, John Tory, was there for the hearings. It was pretty rare that we ever saw Dalton McGuinty, as official opposition leader, actually get involved with the committee process. Certainly he didn't take the time to appear at committee. I suspect that he won't go anywhere near Brampton or Caledon for a long, long time. When he goes down the 410, I bet he's going to close the windows, lock the doors and duck down in the back seat of his limousine to avoid the controversy he's created in at least that section of Peel.

1010

I don't want to get too political; I just felt like I had to respond in kind to Mr. Duguid's cards. I do think it's an important amendment to bring forward for debate on behalf of the city of Brampton. They've done a lot of work on this. As I've said, as the official opposition critic for this, we have a great deal of concern about the government unilaterally imposing its solution on Peel region. This structure has not even had a minute of debate at Peel regional council. We thought that everything should be done to try to develop a consensus on the structure of Peel council, and we have a great fear that Peel region, which has always been an upper-tier model of governance for regions and even counties across the province of Ontario, now, through Bill 186, faces the grim spectre of being turned into a model of Dalton McGuinty himself: deadlocked, dithering and unable to make a difficult decision.

Therefore, I think it's important to make sure that we have an odd number of councillors on that committee so

we won't have split votes and paralyze the region. While Mr. Duguid made his arguments, I am going to appeal to the sensibilities of my colleagues across and to my left to support this motion.

Mr. Mike Colle (Eglinton-Lawrence): I just have to put on the record something about unilateral imposition. I remember a bill which imposed a form of government on the people of Toronto called the megacity act, which was opposed by 76% of the people of Toronto. They had no say whatsoever. In fact, the people of Toronto, in a referendum, almost unilaterally rejected it. This government proceeded to impose it, against the will of the people. Even beyond that, I remember there was a dictum by the then municipal affairs minister, Mr. Clement, who said that by noon the next day, the city of Toronto would have to reduce its council by half or else.

The member opposite was part of a government that dictated and imposed government solution after government solution on cities all across this province, without any semblance of public hearings or debate, and he has the gall to talk about unilateral decisions? They are the architects of a government that was totally arbitrary, bordering on totalitarian, in the way they dealt with the city of Toronto and its people, who begged for relief from that horrific piece of legislation that imposed a governance upon the people of Toronto that they did not want.

I just wanted to put that on the record, because the member opposite forgets that he voted with that government on every committee and every bill that was proposed that dictated Mr. Harris's will on the people of Toronto and other municipalities, who had no say whatsoever in the kind of local government they wanted. For him to sit there and talk about our government imposing unilateral decisions, after this has gone through a committee process, is a bit of a stretch. That has to be put on the record.

Mr. Hudak: If my colleagues opposite want to engage in that kind of partisan debate, I'm certainly willing to do so. I suspect that's not why people are here from Peel today, but if Mr. Colle wants to make those remarks, I think I should have an opportunity to respond. I do think it's interesting that Mr. Colle, who objected to the City of Toronto Act, now sits quietly and rather meekly in the Dalton McGuinty government, doing nothing to change that. I know there are cabinet appointments coming up, and Mr. Colle is an ambitious and talented individual. Maybe biting his tongue to get into cabinet might be one of the goals here. But I do find it ironic, if he was such a vociferous opponent of the City of Toronto Act, that he's been so quiet on it since he's had the reins of power and an opportunity to do something.

I think the member should have done a bit more of his homework before he came to the committee today, as Mayor McCallion likes to say. He said that there were committee hearings for this bill. I'll remind him that the advertisements for this committee consisted merely of putting up an ad on the legislative Web site and perhaps

the legislative channel, which is hardly a recipe for good and widespread public hearings. I think the mayors of the constituent municipalities had a matter of hours of notice. There's no doubt the government wants to ram this bill through, because Dalton McGuinty knows he's been caught making a number of contradictory statements—in fact, broken promises—when it comes to Peel restructuring.

I'll remind the member, too, that the City of Toronto Act had, if memory serves, about 15 days of public hearings, far more than this government bothered to do for the region of Peel, which I think unfortunately shows a disregard for what the people of the community of Peel had to say with respect to legislation. So the member should be careful in terms of the criticism that he brings forward to committee.

Nonetheless, Chair, if the member does want to stand out and stand up for local democracy, then I think he will support a number of the Conservative Party amendments that reflect what we did here at the hearings, limited as they may be.

The Vice-Chair: I'd just like to tell members that we'd like to focus more on the amendments so that we can get through this today. Is there further debate?

Mr. Colle: I just have to put on the record that we see the headlines today in the paper, which again proves that the member opposite only tells half the story, that our government's prepared to revisit the so-called City of Toronto Act, the megacity act.

The Vice-Chair: I'm sorry, but this is not speaking to the amendment.

Mr. Colle: Well, I just want to correct the record. We can't have one side putting half-truths on the record, saying that the members of Toronto are not—

The Vice-Chair: I think that's sufficient.

Mr. Hudak: I want to know if the language is in order, Chair.

Mr. Colle: There we go, trying to shut down debate again.

The Vice-Chair: We have to get on with this. Any further debate on the amendment?

Mr. Hudak: I'd like a recorded vote, Chair, to see how Mr. Colle stands on the issue.

The Chair: All in favour of the amendment, raise your hands.

Ayes

Hudak, Prue.

Nays

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

The Vice-Chair: The amendment fails.

We go to amendment 2, and it will be Mr. Hudak.

Mr. Hudak: While, as Mr. Duguid correctly indicated, we did have companion motions to move today, this second motion reflects Brampton's position with respect to the number of seats on Peel council.

I move that paragraph 1 of subsection 1(1) of the bill be amended by striking out "who is appointed" and substituting "who is elected."

The Vice-Chair: Would you like to speak to the amendment?

Mr. Hudak: I did hear widespread support for this. I don't think I heard—and I'm sure my colleagues will correct me if I'm wrong—a dissenting suggestion that this part of the bill should be amended. The history of Peel region, like I think all regions across the province, has had election of the chair either by members of council or a direct election. The people who spoke to us at committee, particularly from Brampton and Caledon but I also think there was support from the Mississauga hearings, said that we should clearly have in legislation that the regional chair is elected by members of council rather than appointed. The case was made that if it's an appointment, it begs the question of whether that chair could be removed if he or she loses favour with members of council. They wanted it clear as well, as we'll get to later on, that it's for the entire term of council. So I think this clarification will ensure that the regional chair of Peel will continue to be elected by members of regional council.

The Vice-Chair: Further debate?

Mr. Michael Prue (Beaches–East York): I'm not sure it's debate; I just have a question of the mover. The other regional municipalities, most of them, in Ontario have appointed chairs, and I'm wondering why you think that Peel should be different. I am also a little worried about this in terms of the charged atmosphere between and amongst the municipalities of Peel. At this point, an elected chair, with the anointment of a certain mayor, would likely further exacerbate the problems, at least in the short term. I just wondered if you could comment, because I need to know where you're coming from with this.

1020

Mr. Hudak: We heard quite clearly at committee that people from Peel region were concerned about the chair being appointed. Particularly, they worried, if there was a deadlock, that the chair would potentially be appointed by Lieutenant Governor in Council.

Secondly, they wanted clarity in the legislation, to use the term "elected," and by that they meant "elected by members of regional council." They were afraid that the term "appointed" would leave open that the chair would serve only at the behest of the regional council members as opposed to be being elected for the entire term of council. Again I would say that this motion came forward from the city of Brampton, and I believe is also supported by the town of Caledon.

Mr. Prue: So it is your intention that "elected" means by the members of council, not by the general public.

Mr. Hudak: Exactly.

Mr. Prue: OK. All right. Thank you.

Mr. Duguid: I appreciate the motion the member has brought forward. I can assure him that we have actually looked at this issue ourselves. This was brought forward

capably by Mr. Connor, the solicitor for the city of Brampton. It looked rather innocuous when it was brought forward. It's really a case of wording, "appointed" or "elected." At least that's what it appeared on a cursory look.

We have run this by our legal people in the ministry and they've expressed some concerns as to the use of the word "elected" in the context that it's not in keeping with the terminology used in the Municipal Act. They were concerned about the consistency. They were concerned that it may result in some confusion regarding the method of selection. It may result in unnecessary court challenges.

So while we would have liked to have adopted, in the interest of collegiality, a motion that, at first, we thought was innocuous, we've been advised by our legal staff that in fact there are some legal concerns that have been expressed with it. Notwithstanding the issues as raised by Mr. Connor, we understand the concerns that were raised but our solicitors have disagreed with their conclusions. So in order to ensure that there's no confusion, in order to ensure that it's consistent with the language used in the Municipal Act, and to protect ourselves and the municipalities involved from unnecessary court actions, my recommendation would be to stay with the wording the way it is and not support the amendment.

Mr. Hudak: I appreciate the parliamentary assistant's point of view. I don't know if folks are here from the ministry who can offer more weight to that. It sounds like it's a matter of what the word means in legislation. What members of the government, particularly parliamentary assistants to the ministers, say will tend to hold weight, whether it's at committee or in debate in the Legislature.

Could we just make it clear, for the sake of Clay and others who have presented on this, that the government's intention is still that the regional chair would be determined by an election held among the regional councillors of Peel, and that there is no intention to appoint a regional chair?

Mr. Duguid: I want to be careful about the wording here to suggest anything otherwise. Our intention with this legislation is that the regional chair would be appointed, selected, elected by the regional council. I don't think we can be any clearer than that—the way it has probably been done in the past and the way we expect it to be done in the future.

Mr. Hudak: I appreciate the reassurances of the parliamentary assistant, who was good enough to come and talk to me before the committee hearings. So I appreciate his thoughts and his description of the government's concerns with this.

Nonetheless, I still plan on supporting it just for clarity, and I believe the city of Brampton did some work on this as well. But it is good to hear that it sounds like there's no intention of the government to appoint the regional chair. I do hope that it's left in the hands of the regional councillors to determine the chair by a direct election by the regional councillors themselves.

Mr. Duguid: I can certainly clarify that that's the case.

The Vice-Chair: Further debate? There being none, shall the amendment carry?

Mr. Hudak: Recorded vote.

Ayes

Hudak, Prue.

Nays

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

The Vice-Chair: The motion is lost.

The third amendment is tied to amendment 1, and I'll ask for clarification from legal.

Ms. Laura Hopkins: Motion number 1 dealt with the number of councillors, and the decision was made by the committee to leave the number of councillors the same. Because that principle was decided by the first motion, the third motion is no longer appropriate.

Mr. Hudak: It's out of order?

Ms. Hopkins: Yes.

The Vice-Chair: It's out of order.

Mr. Hudak: I appreciate legal counsel's advice on that. Of course, if it's out of order, we will not be making any debate over it. I just wanted to indicate that that was another amendment that had come forward by the good work of the city of Brampton. That was a companion motion to the first which changed the structure of regional council to being, I think, eight persons from Brampton as opposed to seven, and that would have included the mayor. But I do appreciate that, because the first motion was defeated, it's no longer in order.

The Vice-Chair: The fourth motion is an NDP motion.

Mr. Prue: I move that section 1 of the bill be amended by adding the following subsections after subsection 1(1):

"Annual review, population increases in Brampton

"(1.1) Each year until the results of the first Canadian census after January 1, 2005 are made public, the Minister of Municipal Affairs and Housing shall consider whether an increase in the population of the city of Brampton warrants increasing the number of representatives of the city on the council of the regional municipality and, if the increase is warranted, shall take such steps as may be required to change the composition of the council accordingly.

"Full review

"(1.2) When the results of the first Canadian census after January 1, 2005 are made public, the Minister of Municipal Affairs and Housing shall consider whether changes in the respective populations of the city of Brampton, the town of Caledon and the city of Mississauga warrant changing the number of their respective representatives on the council and, if the changes are warranted, shall take such steps as may be required to change the composition of council accordingly."

To speak to that, we heard much debate about the growing size of both Mississauga and Brampton, but particularly of Brampton. The census, of course, takes place only every 10 years and there is a sub-census every five, which in the case of these two rapidly growing communities—particularly in the case of Brampton—will not adequately reflect the number of people who are coming to that municipality each and every year.

I had an opportunity last night to appear on a television show with the chair of the Peel United Way and she had some really strong statistics that backed up what we heard. The regional municipality of Peel attracts some 30,000 people a year—that's the equivalent of the town of Stratford being added to Peel every year—and the bulk of those, the majority of those, are going to Brampton. We know that it is a very fast-growing city. If we are to wait for the full decennial census before we make any changes, then I think we're going to be doing a disservice to the deliberations here today.

I'm asking the minister, if for some unknown reason he saw fit to review this at this time and create turmoil in that region, then he should be willing to stick his neck out a little bit further and closely and carefully monitor the growth as it occurs. It seems to me to be very patently unfair to wait until after the next census, and then a government may or may not choose to do anything at that point. It's taken 20 years to get us to this stage here today, since the last Peel act was looked at, and I'm afraid if we wait 20 more years and if we don't look at it year by year, the turmoil and the bitterness are going to continue. This is just a safeguard against that. If the government is intent on proceeding—and I have my very mixed doubts about whether this is a good thing to do—then I would at least ask that you have the courage to review your decision on a yearly basis to make sure that what you're doing here today isn't wrong.

Mr. Duguid: I appreciate the motion put forward by Mr. Prue. I will not be supporting it and I will be recommending to my colleagues not to support it as well, for the following reasons.

First, regional councils already have the authority to initiate actions to alter their representation. We fully expect that, going forward, Peel regional council will in fact be able to work together to ensure that when population does shift—and there is shifting; we agree with that—they will have the ability to change their representation accordingly.

Annual reviews, I believe, would be intrusive and destabilizing. If every single year you're going to see potential shifts in representation, that would be very difficult for municipalities to have to continually adjust to.

1030

The power to change wards and boundaries and the number of councillors is found within the Municipal Act, so the power is already there for the region to do that. Of course, it would take a triple majority: a majority of the regional members of council, a majority of the local caucuses in each city, and a majority of regional coun-

cillors making up a majority of the population of the region.

My other concern is how you define steps that would need to be taken. It says here, "shall take such steps as may be required to change the composition of council accordingly." That's what the minister is being asked to do after the census reports. I question how much that may tie the minister's hands and the government's hands in terms of making recommendations, because if taken literally, if there's a census and it tells us that the population has changed and we have to move and reflect the representation based on that population change, Caledon can probably kiss three or four of its current five seats goodbye. They'll probably end up with just one seat, maybe two, if you really looked at it straight out through population. So I'm a little bit concerned about either what kind of pressure—or whether this, in fact, could force the minister to have to adjust those balances in a way that would be very destabilizing for some of those local communities. I'd recommend that we not support this particular amendment.

Mr. Hudak: I am going to speak in favour of Mr. Prue's motion, but I want to set aside my comments to allow Mr. Prue to respond, if he so chooses.

Mr. Duguid: You'd better be careful of the Caledon—

Mr. Prue: It's a little rich. Here the minister is intruding without asking the region of Peel to look at it. They never even had an opportunity to look at it. They were given a fait accompli. The mayors were called in to a meeting and the proposal was put down in front of them. That is what's causing a lot of the bitterness.

I do have to tell you that I find it kind of bizarre that the parliamentary assistant will not allow looking at the changing populations. It was very clear to me, and it should be clear to all of you who were in the Mississauga portion, that every single speaker, including the mayor, supports your recommendation as the precursor to secession from Peel. Every single person who spoke said that they like your recommendation because it will allow them to break up the regional municipality of Peel. And that is what you are doing: You are feeding that secessionist movement. I'm not sure that that is in the best interests of the people of Peel.

What I'm trying to do here is assist you in rescuing a very bad bill by making sure that doesn't happen. This will allow additional representation in the non-secessionist areas of Caledon and Brampton as they grow—and they're growing very fast—to make sure that that regional municipality, which has won many and copious awards and been recognized across the country as being probably the best regional municipality there is, does not face further secessionist pressures.

Mr. Hudak: I appreciate Mr. Prue's points, and as I said, on behalf of the official opposition, I'll be supporting the motion before us to have a review of the act on populations. Mr. Prue's proposal is more aggressive than the one the official opposition has brought forward, but nonetheless, the principle is the same. I'll remind my

colleagues opposite that, while the parliamentary assistant defends this by saying that there is the opportunity under the Municipal Act for regional councillors to review the set-up of regional council, it is a triple majority, which is a significant barrier to overcome.

Secondly, that principle had existed and exists today for the region of Peel, but the government has ignored that, and has, in fact, abrogated that right of council to bring that up and impose their own solution—again, for the record, a solution that was not brought forward by any of the constituent municipalities and that didn't even have one minute of debate at Peel regional council. I think the minister made up this solution on the fly, in an effort to try to get away from a runaway issue caused by Dalton McGuinty's broken promises not to get involved in Peel governance issues.

Nonetheless, I think because the minister has made an unwise decision to potentially paralyze Peel regional council and turn what Mr. Prue has rightly described as a model municipality into one that I think is in danger of becoming indecisive and frozen, it makes a lot of sense that this should be reviewed. The government may be right: Maybe things will continue to advance and Peel will still be a model region and we'll continue to have growth and prosperity in Peel; I hope that's the case. But the opposition has its doubts, and I think those who came to the hearing had their doubts, about whether this new governance structure proposed by Bill 186 will be successful. I will appeal to the government members to bring forward, if you don't like Mr. Prue's amendment, some motion to have that bill reviewed at some time in the near future to make sure that the new composition of Peel council, first of all, is functioning adequately on behalf of taxpayers, and second, will reflect what we see as significant growth for the Brampton part of the region. Even in your colleague the Minister of Public Infrastructure Renewal's growth plan, he makes decisions based on future growth in the Brampton area, which we all know to be rapid.

The last point I'll make—I think there's actually a consensus among the mayors on this principle; maybe not on the amendment, but on the principle. Mayor McCallion did speak that she was very frustrated that, after over 30 years in office, Mississauga did not get more seats on Peel. That was her case, and the government has moved to address that case. But at the same time, she also said that she didn't want to see Brampton caught in that same box, that if Brampton similarly grew relative to the other municipalities in Peel, they would have some way of addressing their seats upward. So I think even Mayor McCallion would like to see some sort of review mechanism, for fairness's sake.

I do appreciate the concerns about Caledon. I think the official opposition has been clear that we don't think that rep by pop is the only principle that upper-tier municipalities should be designed upon. They also need a balance between the smaller municipalities and the larger ones so that the governance structure will look out for the

region as a whole rather than vote strictly on rep by pop. So we do want to make sure that Caledon maintains a strong position on council.

Nonetheless, this amendment, if passed, or a subsequent amendment brought forward by the official opposition, will ensure that at least a review takes place and that we'll have the opportunity to correct what I fear will be a wrong move by the government that could paralyze Peel council.

Mr. Duguid: First off, to correct the suggestion that somehow or another the government took it upon itself to look at Peel and say, "We have to go in there and restructure": Number one, we're not restructuring anything. This is a minor reallocation of seats, of representation—very, very minor. So there's no restructuring going on here at all. Number two, the government was brought into this issue by the very mayors—all three of the mayors had expressed concern about the way Peel had been operating. Peel has operated over the years; it has won awards; it has operated very, very well. But the opposition speak as though the status quo is OK, that there are no problems with the status quo and that everything is fine and rosy on Peel council. That was not the case. There were parties that were boycotting the meetings; they were having trouble getting the work of Peel done. That's why the government was approached to try to do something to get things back working again in Peel.

What we've brought forward is a bill that's balanced, that provides balanced representation to ensure that one particular community cannot rule over the other. It will ensure that there's incentive to bring about consensus. That's why we've moved forward with that.

With regard to the secession of Mississauga, let's be absolutely clear, because the Premier's been clear on this, as has the minister: We are not and have no intention of considering the secession of Mississauga. We have no intention of getting into any kind of major restructuring. The Premier made that clear at the beginning, and we're standing by that now. That's not on; it's not something that we're considering right now. This is a minor tinkering to take into consideration some of the legitimate concerns that have been raised about the representation by population ratios that have been expressed.

Mr. Hudak: I appreciate the parliamentary assistant's point of view. I do want to take issue with a couple of points for the sake of the record, and maybe we could convince the members of the government to take a contrary point to the parliamentary assistant's.

1040

I don't recall anybody who came before our committee or who expressed concern about Bill 186—even those who spoke in favour of Bill 186—describing it as minor or as minor tinkering. In fact, because the seats are changing, I think the reaction we've seen from the municipalities is that this is a significant change. Even those who support it, while they wanted Mississauga to be outside of Peel and to be a single-tier municipality, did view this as change, and hardly a minor

change. If Mayor Fennell and Mayor Morrison were reviewing these comments or watching here today, you'd probably have to pull them down off the ceiling after hearing the government describe this as a minor change. It hardly reflects the reaction that we've seen from Brampton and Caledon.

I don't mean to belabour that point, but I think it's important to reinforce that in Peel, those who are involved in the governance debate see this as a significant change, and a significant number believe it is a change for the worse. What we witnessed in the Legislature, with Mayor McCallion on one side of the Legislature and Mayor Fennell and Mayor Morrison on the other, may be a harbinger of things to come, in terms of a divided council that will harm Peel's reputation as a model region.

The government, by their intervention and the broken promises of the Premier and the minister, have caused a significant fissure in Peel region. By splitting the votes down the middle 50-50, with Mississauga on one side and Caledon and Brampton combined on the other, we have a very legitimate fear that that division we witnessed in the House will manifest itself at Peel council and harm services like better roads, better police or better public health.

I hope that some members of the committee will support Mr. Prue's motion, because I believe that the principle of reviewing this to make sure that the government has it right is an important principle and should be incorporated in Bill 186.

The Vice-Chair: Further debate? There being none, shall the amendment—

Mr. Prue: Recorded vote, please.

The Vice-Chair: Recorded vote.

Ayes

Hudak, Prue.

Nays

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

The Vice-Chair: The amendment fails.

The next motion is an official opposition motion.

Mr. Hudak: I move that section 1 of the bill be amended by adding the following subsections after subsection 1(1):

"Change in composition following census

"(1.1) If, after a census, the combined populations of the city of Brampton and the town of Caledon exceed the population of the city of Mississauga, the heads of council for those municipalities shall endeavour to reach a unanimous decision about whether a change in the composition of the council of the regional municipality is warranted and, if a change is warranted, about the change to be made.

"Same

"(1.2) If the heads of council do not reach the required unanimous decisions within a prescribed period after the results of the census are made public, the composition of the council is changed so that it has the same com-

position as was in effect immediately before this act received royal assent.

"Same

"(1.3) The Lieutenant Governor in Council may make regulations prescribing a period for the purposes of subsection (1.2)."

The Vice-Chair: Would you like to speak to your amendment?

Mr. Hudak: I would. Following on the principle that was embodied in the motion that was just before us—unfortunately defeated by the government—from Mr. Prue, we are looking for some sort of review mechanism.

My arguments are the same that I made in the previous motion: We are concerned that the new construction of Peel council, if Bill 186 passes unamended, will cause a paralysis in the region. We also want to take the government up on the argument that they have made on growth issues and population: If Brampton grows significantly, reflecting support from all three of the municipalities, the act should be revisited. We propose that it be opened up for review. We used the census as a basis. I'm willing to amend my motion if there's a better measure of population than the census, but I do want to maintain that principle of a review mechanism based on population.

Secondly, I think a goal should be for the three heads of the local councils to develop a consensus position. That should always be the first and foremost point of entry into this debate. I do hope consensus could be reached; if it could not be reached, we would go back to the composition of Peel council as it is today. That would act as an incentive, I believe, for the three heads of council to come to a consensus for Peel seats. That would enable the province to have a local solution as opposed to having the minister's intervention.

Mr. Duguid: Right now, Mississauga has approximately 61% of Peel's population and only has 45% of the councillors on Peel council. The legislation we're proposing gives them 48% of the councillors on Peel regional council. That's an improvement, but hardly excessive. Meanwhile, Brampton and Caledon make up close to 40% of Peel's population and, between them, have about 48% of the seats.

I'm not sure why the opposition are so concerned about a potential shift that may take place down the road, why we should be so conscious of it then when they seem to be opposed to us trying to correct what is an obvious inequity in representation by population now.

We're trying to do this in a balanced way to ensure that no one party on that council can dominate, and what we're proposing will ensure that that happens. It will drive all three municipalities to have to work through a consensual type of approach.

In all practicality, if the population of Brampton and Caledon is going to equal Mississauga's, that won't be for a very long time. There'll be plenty of time for Peel regional council to take whatever appropriate actions they wish to take to make the needed adjustments. If it does reach a stage where they feel that they cannot reach

a consensus and move forward when those population issues come about, I'm sure the government can take another look at it then. But we're talking about a pretty long time from now, so I think this motion is not necessary. In fact, again, I think it strikes at potentially impacting the balance that we've tried to achieve through our legislation.

Mr. Hudak: I appreciate the parliamentary assistant's comments. I think it's a different viewpoint than the official opposition and the third party and others who came before the committee would take. What you call "balance" we call "potential paralysis." By having an even number of councillors there, divided clearly along municipal lines, there's a great fear that there'll be an ongoing paralysis, evidenced by the debate in the Legislature, manifesting itself on Peel regional council and harming services for taxpayers.

If the government believes that they need to act today based on representation by population, then surely the government would still believe in that principle down the road, and there should be a review mechanism.

I appreciate my colleague's remarks that the census may be too far. We're trying to find some measure of population that people would agree to. If there's a better way, if you can improve this potential amendment to the bill, I'm willing to hear that. It's the principle that's most important to the official opposition. If the government does believe in the rep by pop principle, then surely there must be a review mechanism if that ratio changes.

We all know that it isn't easy to get bills through the House. They do take time. While we regret that this bill has been pushed through without greater consultations with municipalities, we do fear that it may not get on the calendar.

Second, I think that we do, for the record, need to reflect on the ugly bumps this went through initially. The Premier said he would not get involved in the Peel restructuring issue. The minister said they wanted a consensus-based approach. Assurances were made to my colleague from Brampton Centre that things would not be done unless there was a consensus. Then, all of a sudden, Dalton McGuinty and the minister, John Gerretsen, broke their promises and brought this forward. Surely we don't want to repeat that kind of ugly process in the future, no matter who the leader or the minister may be.

Therefore, we should have enshrined in legislation some mechanism to review the seats on Peel council, since the province entered into this debate, in the first place, through Bill 186.

The Vice-Chair: Further debate? There being none, does the amendment carry?

Mr. Hudak: Recorded vote.

Ayes

Hudak, Prue.

Nays

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

The Vice-Chair: The motion is lost. Amendment 6 is withdrawn.

We go to amendment 7. It's a government motion.

Mr. Duguid: I move that subsection 1(2) of the bill be struck out and the following substituted:

"Appointment of chair

"(2) The chair is to be appointed by the members of the regional council who are described in paragraphs 2, 3 and 4 of subsection (1) and, despite section 458 of the Municipal Act, 2001, subsection 6(3) of the Regional Municipalities Act, as it read immediately before its repeal, does not apply to the appointment of the chair.

"Term of office, etc., of chair

"(2.1) The chair is the head of council and holds office for the term of the council of the regional municipality and until his or her successor is appointed."

1050

The Vice-Chair: Would you like to speak to your amendment?

Mr. Duguid: I'll speak as briefly as I can. This change will clarify that the current chair cannot vote during council actions to appoint the successor chair and that cabinet does not have any authority to appoint a chair in the event of a deadlock at regional council. The authority to appoint the chair of Peel region would rest solely with the locally elected members of regional council, as it should be. This change should clarify that the chair of regional council is the head of council, with the same responsibilities as all heads of council established in the Municipal Act, 2001. The change would clarify that for the council organized following the 2006 election, the term of the head of council is three years, the same as council, and continues until a successor is appointed.

This is a response to some of the concerns that were raised, which were clarifying motions more than anything else.

Mr. Hudak: I appreciate that the parliamentary assistant has ascribed this as being to bring clarity to the election of chair and the chair's responsibilities and tenure. My earlier motion was my preferred motion; I had hoped that would go through to clarify that the chair is to be elected by members of Peel regional council rather than appointed. Nonetheless, this is an improvement over the bill as it stands, and I'll be supporting it on behalf of the official opposition.

The Vice-Chair: Further debate? There being none, shall the amendment carry? Carried.

Amendment 8, Mr. Hudak.

Mr. Hudak: I have had a conversation with the parliamentary assistant as to a potential amendment to the motion, but I'll read the motion as a whole to begin with.

I move that subsection 1(2) of the bill be struck out and the following substituted:

"Election of chair

"(2) At the first meeting of the council of the regional municipality at which quorum is present after a regular election, the council shall elect a person as its chair to hold office for the term of the council and until his or her

successor is elected; in case of a tie vote for the candidates, the chair shall be chosen as follows:

"1. The names of the candidates shall be written on equal sized pieces of paper and the papers shall be placed in a box.

"2. The clerk of the regional municipality shall choose a person who, in turn, shall choose one of the pieces of paper from the box.

"3. The candidate whose name is on the piece of paper is the chair of the council.

"Same

"(2.1) A member of the council of the regional municipality or any other person is eligible to be nominated as chair.

"Same

"(2.2) The clerk of the regional municipality shall preside at the first meeting until the chair is chosen."

This is an amendment that has been kindly recommended by the city of Brampton, again to bring clarity to the election of the chair's position, particularly in case of deadlock. We heard quite often at the hearings a fear that regional council would become deadlocked, where they're split along municipal lines as to who the regional chair should be, and the fear then that that would produce a decision by the Lieutenant Governor in Council to appoint a chair. This is a mechanism that the city of Brampton has brought forward to help break that deadlock, if it were to occur, to make sure there's clarity in the legislation on how to break a tie for the election of regional chair.

Mr. Duguid: With an amendment that I believe Mr. Hudak is going to bring forward to subsection (2.2), we could probably support that subsection. We would be asking for a split vote on each section, because I would recommend that my colleagues vote against subsections (2) and (2.1). With an amendment that was just recommended by legal, we can likely support (2.2). I'll speak to the reason why we can't support the suggestion on how to break a tie vote.

First and foremost, the objective, as I've said in the past, is to try to bring a consensual approach to decision-making among the lower-tier municipalities in Peel on Peel regional council. We feel that, if you provide a way out, as in choosing a name from a hat if they can't reach a consensus, you may end up with a chair that a good proportion, maybe even the majority of council, is not supportive of. To me, that's a way of ensuring, or potentially ensuring, a dysfunctional term of council if a good majority of the council did not in some way, shape or form consent to the selection of a chair.

What we're proposing is—and we're quite confident that Peel regional council will be able to find a consensus—a chair that is probably a little more neutral, that doesn't have the interests of just Mississauga or just Brampton or just Caledon in mind, but instead thinks of the region of Peel as a whole. We're absolutely confident that all parties will be able to come to an agreement on the appropriate selection of a chair, and we would want to leave it to them to do that, because we feel any other

method is going to create the potential, as I said, for a dysfunctional council.

The reason we can support (2.2) with the amendment—I've got to make sure that Mr. Hudak moves that amendment before we can—is that the way it's written now, there'd be an option for the previous chair to preside over a consideration of the election of chair. While I don't think that would be the end of the world, I think it makes a little more sense to have the clerk preside over such a proceeding in case the previous chair is standing again for reselection or re-election as chair. So that's an amendment that we believe is something that would improve the legislation and improve the process. With a slight amendment made to (2.2)—if we can split this into three separate votes—we'd be willing to support that.

Mr. Prue: I really don't see the reluctance in this. The present Municipal Act sets out an identical procedure that is proposed here in the event of a vacancy in a council where there's an appointment being made. Where the council is tied at the end, then the name is drawn from a hat. That's what every municipality in the province does at this point. I don't know whether those of you who were municipal councillors before ever went through such a system, but I certainly did. That's the way the law is, even unto this very day. I don't understand why it would not apply to the regional municipality of Peel in the event of a tie.

I also do not understand the argument that a sizable majority of the council does not support that's been put forward by the parliamentary assistant. This is where the council is tied. It means that there is a sizable portion in favour. It just does not exceed that 50% ratio. It seems that this is a far better scenario than the one that was originally in the bill—having the Lieutenant Governor in Council appoint someone. It certainly allows for the process to be quick and efficient, rather than send the council of the municipality of Peel back to, I guess, vote after vote after vote, which is the other possibility if you do not allow for the process that you have deemed acceptable in 450 other municipalities.

Mr. Hudak: I appreciate my colleagues' comments and particularly Mr. Prue's comments. I do think there is a legitimate and broad-based concern that the regional chair's election could be split, could be deadlocked, and therefore the region would become paralyzed. We certainly have seen in the debate today that the municipalities have taken very strong sides on different parts of the bill. As I'd like to illustrate, it came home to roost in the Legislature, with Mayor McCallion on one side of the House and Mayors Fennell and Morrison on the other. I think the councillors are of a similar viewpoint—at least those we heard from.

1100

I really do have a concern that if this bill passes in its current form, there could be a deadlocked vote for regional chair of Peel. The votes are based on municipal boundaries. If Mississauga votes on one side of an issue and Brampton and Caledon on the other, the regional

chair is going to play a very important role in splitting tied votes. In fact, we heard argument at committee that the regional chair of Peel could become one of the most powerful of municipal politicians, or of politicians in general, across the province of Ontario.

I do agree with my colleague. As you can see in the motion we brought forward on behalf of Brampton today, there should be a mechanism to break a tie. Whether you like this one or if there's a better one, there should be some mechanism, just in case, to break a tie. I remind members of the committee that not only the lawyer on behalf of the city of Brampton but the mayor herself brought forward the notion that, under section 6 of the Regional Municipalities Act, there is concern if the Lieutenant Governor in Council were to appoint a chair in the event of a tie. I don't think anybody really wants to see cabinet making that decision; they want to see it determined locally. I do hope that we'll have support for some tie-breaking mechanism—if not this one, which Mr. Prue spoke to very eloquently, then some other.

From a procedural point of view, I appreciate my colleague's suggestion of a friendly amendment to (2.2), and that his advice to the government members is not to support (2) or (2.1). What I would like to do, Chair, if it's OK with you, is still move my motion as a whole. If it passes, then I'm happy. If it doesn't pass, then I will bring forward (2.2), as suggested to be amended by the parliamentary assistant, for a separate vote.

Mr. Duguid: First and foremost, I understand that what Mr. Prue had indicated about the Municipal Act and about the method for resolving a tie vote in the selection of the head of council may have been true at one time, but I believe, in the last go-round of the Municipal Act—my information is that has changed. So in essence, if we were—

Interjection.

Mr. Duguid: It's a small thing. It rarely happens, but my information is that that's no longer the case, which would then mean, in fact, that we would be treating Peel differently if we were to prescribe to them how they were to select the chair.

As I said before, it is extremely important, in this particular dynamic, to make sure that the parties consent on who is chair. Let's speak in very plain language here. If two people are applying for chair and you were to pick a name out of a hat—you might have two candidates. You may have a pro-Mississauga person and a pro-Caledon and Brampton person. There's a 50-50 chance that whoever gets selected would be one way or another way, and then you're looking at the potential for shifting the balance of power.

What we're suggesting is that the sides have to come together and choose somebody who, in theory—I believe it's quite possible to find somebody who is relatively neutral. So I think that's the key there.

Thirdly, the deadlocked vote issue is a red herring. Every council making any decision on appointing anybody has the potential for a deadlock. The key is to put it to those particular representatives to ensure that

they make their decisions in the best interests of the region, which means finding somebody whom they can all live with. That will ensure that there's a functional council going into the future, and that's what we plan to stick with here.

Mr. Hudak: I don't want to belabour the point, but I do need to take issue with the description of this issue as a red herring. I do believe we heard very strong and consistent concerns during the public hearings about the spectre of a tie for the regional chair vote. I would remind the parliamentary assistant that it's the Dalton McGuinty government that has chosen to intervene in this process and has now structured council with an even number of councillors clearly split on municipal lines. This prolonged debate and the broken promises by the Premier have caused a lot of controversy locally, which I think will reinforce the danger of having a split along municipal lines, an even number of councillors, for a 50-50 vote. So I think from the official opposition's point of view, and obviously from Mr. Prue's point of view, we do have that concern.

I don't know if the parliamentary assistant can answer this, or somebody from municipal affairs: How, if the Municipal Act has been updated, is a tie vote for regional chair or warden of a county solved today? Do they just keep voting until it's solved? What's the current mechanism that would take place if the amendment fails?

Mr. Duguid: I can try to respond to that, but I'd be happy to allow legal staff to verify. My understanding is that it's left up to the regional council to determine that.

They are nodding their head that it is up to the regional council to determine how they deal with that. They could, in essence, decide to draw names out of a hat if they chose to, but it's their choice. Maybe we can get a clarification.

Mr. Hudak: Chair, legal counsel here have been watching us, paying rapt attention to the debate. Maybe we could clarify, for the sake of the record, while we're discussing this motion.

The Vice-Chair: Does the committee agree to hear from legal counsel? OK.

Mr. Scott Gray: My name is Scott Gray. I'm a lawyer with the Ministry of Municipal Affairs and Housing.

When we passed the new Municipal Act, effective January 1, 2003, the old provision that provided, in the event of a tie in an appointment, that you draw names out of a hat was removed. The rationale was simply that if councils have to fill the vacancy, they'll find a way of filling the vacancy. They'll make whatever judgments and compromises and find a candidate who can acquire that support. That was the rationale. Councils can have ties, and they have to find a way of breaking them. It's as simple as that.

I think it was a reaction to concerns from municipalities: "We don't need to be micromanaged. We have the ability to make decisions." So we looked through the act and removed as many prescriptive things telling municipalities how to behave as we could, and that was one of them.

Mr. Prue: I have heard of people, even up until recently, being chosen by names out of a hat. I just want to know: The municipalities continue to use the old way if they wish?

Mr. Gray: It's quite common for municipalities to pick a name they want to appoint—they have some kind of debate; names are put forward. If there is a tie, they draw the name out of a hat, and then the name that has been drawn out of the hat is put to council to appoint. It isn't the actual appointment mechanism; it's the method of selecting the name they are going to appoint.

Mr. Prue: So in fact, even though it is no longer in the act, it is still predominantly the way things are done in the event of a tie.

Mr. Gray: Oh, sure. If that's how councils want to continue to operate, they can.

Mr. Prue: Thank you.

Mr. Hudak: Thank you very much for clarifying for us. We appreciate your answer to Mr. Prue.

The other quick question I had for you: Under the Municipal Act as it stands today, does the Lieutenant Governor in Council retain any authority whatsoever for resolving a deadlocked council? Can the minister or cabinet make a decision as to who the regional chair would be, potentially?

Mr. Gray: Our view was that they didn't, but we heard the concerns raised by Brampton that our transition provision—in the new Municipal Act, we say that the composition of all the councils continues. The concern we heard from Brampton was that that includes the method by which people are selected, so that includes that they are appointed by the regional council, and if after a week they can't fill the position, cabinet is the default. I was told, "We don't want that to be a possibility." That's why one of the motions that we produced clarifies that that's not the case, cannot be the case.

Mr. Hudak: That was the motion that we voted on?

Mr. Gray: Motion number 7, yes.

Mr. Hudak: Motion 7 has passed; therefore, to be clear, the Lieutenant Governor will have no authority whatsoever to appoint the chair of Peel region?

Mr. Gray: That's right, yes.

The Vice-Chair: We will now vote on the amendment as originally proposed.

Mr. Hudak: Recorded vote.

The Vice-Chair: A recorded vote.

Ayes

Hudak, Prue.

Nays

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

The Vice-Chair: The full amendment fails.

Mr. Hudak, the amendment to the amendment.

Mr. Hudak: A new motion, now that motion number 8 has been voted down. I do appreciate the helpful comments of the parliamentary assistant.

I move that subsection 1(2.2) of the bill be amended—sorry; let me be clear for the sake of the record.

I move that section 1 of the bill be amended by adding the following subsection:

"First meeting

"(2.2) The clerk of the regional municipality shall preside at the first meeting under subsections 233(1) or (2) of the Municipal Act, 2001, until the chair is chosen."

The Vice-Chair: Do you wish to speak to your amendment?

Mr. Hudak: It's not the so-called whole enchilada. I do appreciate the parliamentary assistant trying to find a friendly amendment to my motion. I think that will bring some clarity for transition provisions, if I follow, on the selection of the chair for the region of Peel.

The Vice-Chair: Further debate? Shall the amendment carry?

Mr. Hudak: A recorded vote, for the sake of posterity.

Mr. Duguid: That doesn't happen too often.

Ayes

Berardinetti, Cansfield, Duguid, Hudak, Mitchell, Prue.

The Vice-Chair: The amendment carries.

We move to number 9. This is a Conservative motion.

1110

Mr. Hudak: I appreciate the support of four members of the government on that last one. Mr. Colle is obviously exercising his right to stand up against the Dalton McGuinty government and fight for something he strongly believes in.

I move that section 1 of the bill be amended by adding the following subsection after subsection 1(2):

"Same

"(2.1) If the members are unable to elect a chair after three tie votes, the chair shall be appointed by a majority vote of the heads of council for the city of Brampton, the town of Caledon and the city of Mississauga."

The Vice-Chair: Would you like to speak to that amendment?

Mr. Hudak: Similar arguments, and I'm not going to repeat them, but we are seeking a tie-breaking mechanism of some kind. We thought that if after three tie votes no resolution occurred for the chair, we would then put it in the hands of the heads of council by majority vote to find a candidate who is agreeable for the chair's position. It's just a way, I think, of sensibly resolving a deadlock vote for chair in that eventuality.

Mr. Duguid: We've really been through this already. We're not going to impose an arbitrary method of resolving tie votes on the matter of selecting the chair. We feel that would defeat the objective of encouraging the municipalities to reach a consensus and select a neutral chair.

Mr. Prue: I can't support this. I've been supporting most of the official opposition motions but I cannot support this one. There are 25 members of council, each

one of whom has equal rights. I cannot give three members of that council more rights than others to choose who is there. I think we have to acknowledge in a democracy that every vote counts, and I cannot leave it up to people who exercise a different office, that of mayor in their respective municipalities. They are there acting as regional spokespeople, regional electors, and I cannot support this motion.

Mr. Hudak: I appreciate my colleagues' comments. We were trying to find some mechanism to break a tie in case that occurred. The expectation here would be that, with the mayors making a decision after three tie votes, councillors would come to some resolution. I appreciate the concerns. Without meaning any disrespect to all members of council, we were trying to find some basis to resolve a split, if that occurred, and we did have the fear at the time—I appreciate legal counsel's updating us that we may have the Lieutenant Governor in Council make that decision. That was the principle that this motion was based upon.

The Vice-Chair: Further debate? There being none, shall the amendment carry? In favour? Against? The motion fails.

Number 10 is also from the official opposition.

Mr. Hudak: I move that subsection 1(3) of the bill be amended,

(a) by striking out "before his or her appointment" and substituting "before his or her election as chair"; and

(b) by striking out "upon being appointed as chair" and substituting "upon being elected as chair."

The Vice-Chair: This is contingent on the second amendment, which lost, so it's out of order.

Mr. Hudak: Yes.

The Vice-Chair: Number 11 is also a PC motion.

Mr. Hudak: I move that subsection 1(4) of the bill be amended,

(a) by striking out "six persons" in the portion before paragraph 1 and substituting "seven persons"; and

(b) by striking out "one person" in subparagraph 2ii and substituting "two persons."

The Vice-Chair: This amendment depended on amendment number 1, which failed, so it's out of order.

Mr. Hudak: I appreciate your ruling. I do want to note for the record that these were companion motions to other motions that were defeated earlier on; I still wanted to bring them forward. I do appreciate the city of Brampton's assistance in crafting these motions as a package.

The Vice-Chair: We will now be voting on section 1, as amended.

Mr. Hudak: Recorded vote.

Ayes

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

Nays

Hudak, Prue.

The Vice-Chair: Carried, as amended.

We're into section 2 of the bill. It's a PC motion, number 12 in our package. Mr. Hudak?

Mr. Hudak: I move that section 2 of the bill be amended by adding the following subsections:

"School board elections

"(2) Despite subsection (1), if a ward boundary is changed in connection with the implementation of section 1 and a school board is affected by the change, the deadlines under the Education Act and the Municipal Elections Act for the 2006 general election relating to nominations for school board trustees of the affected school board are postponed until the school board has completed any preparations that the school board considers necessary in the circumstances."

This reflects the presentation at the Brampton hearings, I believe, brought forward by one of the school boards in Peel that expressed concern—I think it was inadvertent—that the potential school board elections would be impacted by Bill 186. I believe this reflects the concerns the school board brought forward. The act, if amended, would allow these school boards enough time to set their own boundaries for trustees.

Mr. Duguid: We recognize that this is one of the issues that was raised at the hearings, and we've taken a very good look at it. That's why we have a motion that's in front of you, motion number 17, that will provide the Minister of Municipal Affairs and Housing with the authority to ensure that all elections can be properly conducted. We think the government motion would provide the flexibility needed to ensure that the time would be there for them to do the coordination of both school board and municipal preparations for the election. In fact, in consultation with them, we feel that while the concerns expressed reflect some of what was said at the hearings, there will be certainly enough time, if this legislation is passed in an appropriate amount of time, to be able to adjust next year. I believe the concerns that they've raised have been accommodated and will be accommodated under the minister's motion.

The message I would give is that I appreciate the concern, but we feel there's more than adequate time.

This is one of the reasons why it has been important that we move this process onward on a pretty timely basis. I know there were some who expressed concern about the speed with which we're moving forward. This is one of the reasons why we do wish to move forward at a reasonable pace on this: to ensure that there is plenty of time for the school boards, the local municipalities and the regional municipality to adjust.

Mr. Hudak: I do appreciate that the parliamentary assistant has obviously listened closely to the school board and is aware of their concerns. That's good to hear.

While the parliamentary assistant does talk about section 4 of the act and giving the minister the authority to get involved in these situations directly, the official opposition does have a great deal of concern about the scope of section 4, which gives the minister a wide jurisdiction into the municipal elections or school board elections. We think that is too great a power, particularly

considering the way this bill was born. Therefore, I will be planning to vote against section 4. I hope that this motion will pass, to ensure that the school board is treated appropriately if section 4 of the bill fails.

1120

Mr. Prue: I'm glad to see government motion 17, because I do have a little bit of a problem with the wording, not with what is trying to be done with PC motion 12. It says "postponed until the school board has completed any preparations that the school board considers necessary in the circumstances." This is kind of open-ended. This doesn't say "at the next full meeting of the school board"; it doesn't say "within a month." It's crafted in such a way that the school board could turn around and say, "We aren't prepared," right up until election day. I agree with you—I want to give them the time—but the way it's worded, unless it were somehow amended, I don't think I could support it. I think the government motion is also weak but I don't think it has the same pitfall.

Mr. Hudak: I appreciate my colleague's comments, and I appreciate the support we had from legislative counsel, who worked very hard to help get these amendments forward. I think he knows that in opposition, your resources are somewhat limited; you don't always craft amendments perfectly.

Mr. Prue: Of course.

Mr. Hudak: I appreciate your support for the principle. If the government has any friendly amendments so that the principle is enacted, obviously the opposition is open to them. We think it important for the school board to have ample opportunity to prepare for any changes in boundaries for the 2006 election of school board trustees.

The Vice-Chair: Further debate? There being none, shall the amendment carry? The amendment fails.

That's the end of section 2. Shall section 2 carry? I'll take a vote.

Mr. Hudak: Recorded vote.

Ayes

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

Nays

Hudak, Prue.

The Vice-Chair: Carried.

On section 3 of the bill: government motion 13 in our package.

Mr. Duguid: I move that section 3 of the bill be amended by inserting "or the term of office of its head of council" after "the composition of its council."

If I may speak to it, what this change will provide is that, following the 2006 regular election, regional council would have the authority to change the term of office for its head of council to either a one-year or a three-year term in accordance with what's allowed by all other municipalities across the province under the Municipal Act. This would provide Peel regional council with the same flexibility that other upper-tier councils have.

Mr. Hudak: I appreciate the parliamentary assistant's explanation in trying to read through the acts simultaneously. I want to note, though, that the opposition has an ongoing concern that the mechanism for any future changes to Peel council is based upon the standard Municipal Act approach and the triple majority.

While we support that notion in a general sense, these are exceptional circumstances that have been created by the government's intervention and imposition of a number of seats at regional council. Therefore, we feel strongly that, given the dynamic growth in the region, there should be some kind of review mechanism outside of the standard approach since the government has entered into that debate through Bill 186. We want to make sure that those reservations are on the record.

Mr. Duguid: I stand to be corrected, but there was a general perception out there on this in the past that there is a triple majority required to replace the chair. But it's my understanding that that doesn't exist. Legal staff could probably clarify that for us if we require it. We just want to make sure that with this motion, Peel is treated the same way other municipalities are under the Municipal Act.

The Vice-Chair: Further debate? There being none, shall the amendment carry? All in favour? Opposed? The amendment carries.

Number 14 is a PC motion.

Mr. Hudak: I move that section 3 of the bill be amended by adding the following subsection:

"Power re ward boundaries

"(2) Only a lower-tier municipality may determine the boundaries of a ward in the municipality."

We did hear concern, I believe, from Mr. Connor on behalf of the city of Brampton, among others, about a current lack of clarity under statutes affecting municipalities that may leave open—that in Peel, under Bill 186, the upper tier could set ward boundaries for the lower tier. That would be a significant change from the status quo.

We want to make sure, for clarity in legislation, that Mississauga, Brampton and Caledon would continue to set their own ward boundaries. We believe that this is a power that should be at the local level in a two-tier government.

We hope that for clarity's sake this amendment will pass. I don't think we heard any dissenting opinions on this. It wasn't one of the most prominent issues of debate. Nonetheless, we think it is important and should be reflected in the act.

Mr. Duguid: I'll be recommending to my colleagues to vote in opposition to this particular motion.

Each local municipality continues to have authority to establish their wards under the current arrangement. We don't intend to limit the opportunity for the region of Peel or any other region to perhaps decide one day to go to directly elected regional councillors. If they were to do that, obviously the regional council would have to have the ability to set wards.

I believe that this is the same provision that's available to all regional municipalities across the province under the Municipal Act. I don't think we would want to see Peel treated any differently from its sister regions.

Mr. Hudak: With all due respect to the parliamentary assistant's arguments, we think that Peel region has already been treated differently by Bill 186 and the government.

There's an ongoing concern that I think will abide about a potentially fractured council. Mississauga was very clear that their goal is to become a single-tier municipality outside, obviously, of Peel region. I do respect the fact that Mayor McCallion, her councillors and those who made their presentation have been very consistent in that regard. Nonetheless, I think that reinforces the concern about a divided regional council determining ward boundaries. I believe, particularly under the circumstances that we find ourselves in today with Bill 186, it should clearly remain the prerogative of Caledon, Brampton and Mississauga councils to set their own ward boundaries, not the region of Peel.

The Vice-Chair: Further debate? There being none, shall the amendment carry?

Mr. Hudak: Recorded vote.

Ayes

Hudak, Prue.

Nays

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

The Vice-Chair: The motion is lost.

Number 15 is a Conservative motion.

Mr. Hudak: I'll take a deep breath for this one. This is a long one.

I move that section 3 of the bill be amended by adding the following subsections:

"Mandatory increases

"(2) For any regular election after 2006, the following rules apply if the average number of persons per Brampton regional councillor (excluding the mayor) exceeds the average number of persons per Mississauga and Brampton regional councillor (excluding the mayors):

"1. If the product of the difference between the average number of persons per Brampton regional councillor and the average number of persons per Mississauga and Brampton regional councillors multiplied by the number of Brampton regional councillors exceeds the average number of persons per Mississauga and Brampton regional councillor but does not exceed twice this number, the number of Brampton regional councillors is automatically increased by one.

"2. If the product exceeds twice the average number of persons per Mississauga and Brampton regional councillor, the number of Brampton regional councillors is automatically increased by two.

"Same

"(3) The commissioner of planning for the regional municipality shall make the determinations required by subsection (2) and the commissioner's decisions are final and shall not be questioned by any court.

"Same

"(4) The determinations required by subsection (2) must be made 24 months before the regular election and must be calculated as of the projected date of the election."

The Vice-Chair: Would you like to speak to your amendment?

1130

Mr. Hudak: Certainly. I want to say thank you to the city of Brampton, who had suggested this amendment. Obviously, they're much cleverer than I am. I don't think I could have crafted this particular motion.

The principles have been debated before without much success in terms of passing motions, but this gets at the ongoing concern that if council is constructed, more so, based on rep by pop, that will shift, and probably shift relatively soon, because of Brampton's growing population. This would have a mechanism in place, if passed, to ensure that Brampton's seats would increase requisite with their increase in population by the ratio outlined in the motion. Caledon's seats would not be impacted by this motion, if passed.

Mr. Duguid: I must have read this motion about 20 times last night, trying to figure out how this would actually work, and I still haven't been able to figure it out. It looks pretty complicated and difficult to follow.

We feel that the regional council has the ability to respond in a responsible manner to future population shifts. As the population shifts, there can be adjustments made in the future. I don't think we need a complex formula front-end-loaded to bring about those changes. We feel that automatic recalculation of representation would potentially be a source of constant instability in the region, so I would recommend to my colleagues not to support it.

The Vice-Chair: Further debate? There being none, shall the amendment carry? All in favour of the amendment? All opposed? The motion fails.

Shall section 3, as amended, carry?

Mr. Hudak: Recorded vote.

Ayes

Cansfield, Colle, Duguid, Mitchell.

Nays

Hudak, Prue.

The Vice-Chair: The section, as amended, carries.

We're now at number 16. It's a Conservative motion.

Mr. Hudak: I move that section 4 of the bill be struck out and the following substituted:

"Mandatory postponement

"4. If any municipal council, school board or other body in the regional municipality is unable to complete its preparations for the implementation of this act by De-

ember 31, 2005, the Minister of Municipal Affairs and Housing shall, by regulation, specify that section 1 applies with respect to the regular election in 2009 instead of the regular election in 2006.”

This is a bit of a hammer of an amendment, but I think we’re responding in kind to the government’s approach to the Peel restructuring issue by imposing their own minister-made or cabinet-made solution on Peel, devoid of any consensus and devoid of any actual debate at Peel regional council.

We do hold out the opportunity, if the government does back off a little bit, that the mayors and the councillors at the region of Peel could resolve this issue on their own, without the Gerretsen bill being brought forward arbitrarily. This would give the municipalities time to complete the election on their own, and, if not ready for 2006, would take place for the 2009 election.

Mr. Duguid: I’ll be recommending to my colleagues that we vote in opposition to this. We expect municipalities to move toward their decisions following the passage of this bill, if it is passed in the Legislature, very quickly and in a timely manner. There’s no rational reason to suggest that there’s not enough time for them to move forward and implement the changes that they may need to implement. In the case of Brampton, they can choose their representative in any way they see fit. They don’t even have to change their boundaries if they choose not to. So we don’t see any rational reason to have to postpone the election or anything like that.

This bill is intended to provide a fair and balanced representation based on recent populations. To delay the implementation of this bill, we believe, is to delay fairness and balance. As they say, fairness deliberately delayed is fairness denied, and we don’t want to do that. We think the best way to ensure that this can be implemented on a timely basis is to have the co-operation of the opposition parties to move this ahead on a timely basis through the Legislature and get on with it.

Mr. Hudak: Again, to the parliamentary assistant’s description of fairness and fairness denied, while I will grant that the majority of the speakers in Mississauga spoke in favour of this bill toward their goal of seceding from the region of Peel, we also heard very strong presentations at the morning hearings opposed to this bill. We think it’s important to look at the region as a whole in making the right decision, and fairness as a principle should be applied to the region as a whole. I don’t believe this bill would be described as fair by a large number of the presenters or residents of Peel.

Secondly, for the sake of the record, we do have to recognize that there were guarantees and reassurances by the Premier himself and by the minister himself that they would not be getting involved in the restructuring decision. Suddenly, a cabinet or ministerial decision was made to restructure Peel regional council, without a single hour of debate at Peel regional council. The hearings were among the shortest hearings, with the poorest notice, that I’ve seen in this sitting of this particular assembly, so I don’t think there has been adequate debate

or exploration of the issues from those who are concerned in Peel. Therefore, I believe there should be a mandatory postponement provision as part of this legislation.

The Vice-Chair: Further debate? There being none—

Mr. Hudak: Recorded vote.

The Vice-Chair: Recorded vote.

Ayes

Hudak, Prue.

Nays

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

The Vice-Chair: The motion fails.

Number 17, a government motion.

Mr. Duguid: I move that clause 4(1)(a) of the bill be struck out and the following substituted:

“(a) providing for those matters which, in the minister’s opinion, are necessary or expedient to conduct the regular election in 2006 for,

“(i) a municipal council, school board or other body in the regional municipality, and

“(ii) a school board whose area of jurisdiction includes the regional municipality and an area outside the regional municipality.”

The Vice-Chair: Would you like to speak to your amendment?

Mr. Duguid: Just briefly. This motion will clarify the authority of the minister to make regulations affecting the conduct of the regular election in 2006. It includes elections to a municipal council, school board and other bodies within Peel, as well as elections to a school board that extends to an area outside of Peel; for example, the Dufferin-Peel separate school board or the French-language public and separate school boards.

Mr. Hudak: This obviously does give considerable power to the minister himself or herself to help conduct these elections. I think we as a committee have to decide and debate in the House whether this power is warranted under the act, but secondly, consider the minister and the government that seeks to wield this power. Under some circumstances, may this be appropriate? That’s a potential there, and I look forward to the debate on that. I would argue, in these circumstances, with a government that’s already broken some 47 promises and a Minister of Municipal Affairs and Housing who sits in that office today who himself has broken, I think, three or four major campaign promises—we could look at, for example, the Oak Ridges moraine, the Kawartha Lakes referendum, and a promise not to cut municipal funding when he has obviously done so. It offends the principle that the minister could be trusted to wield this power appropriately, or a subsequent minister under the Dalton McGuinty government, considering their record of broken promises.

The third point I would make on this has to do with the shifts in position that the Premier himself has taken on this issue. I think Nadia Comaneci would be envious

of the political gymnastics that Premier McGuinty has performed in taking about five or six different positions on Peel restructuring.

Therefore, I would strongly recommend voting against this amendment and section 4 as a whole, simply based on the principle that the minister or the government could not be trusted to wield this wisely.

Mr. Duguid: I take issue with some of the comments made by my colleague. That's probably not surprising, because from time to time we do take issue with comments made by each other. But to suggest that the Minister of Municipal Affairs and Housing has been anything but impressive in his performance and in his work, in terms of treating municipalities well, is absolutely inaccurate. Think of the funding to municipalities through the years; the uploading of public health this previous budget; the gas tax, which is providing unprecedented amounts of money to public transit for municipalities; the Municipal Act changes that we're looking at. Instead of treating municipalities like creatures of the province and downloading on them arbitrarily, like the previous government did—

The Vice-Chair: I'd just like to say that we've been sticking to the subject of the amendments up till now and doing pretty well. If we could continue to do so, Mr. Duguid.

1140

Mr. Duguid: I'll try to do so, but I just want to point out that municipalities have been treated by this government in a much better manner than the previous government treated them. I think it's important to recognize that as we move forward with this legislation as well.

Mr. Prue: I'm going to vote for this motion, but not because I'm particularly enamoured of it. There is a certain amount of mistrust from members of the opposition because of what has gone on here. However, I am also mindful of the very strong representation that was made at the hearings in terms of the school boards and the necessity of having some kind of mechanism to allow the elections to take place in an expeditious manner. I'm not convinced that this is the best way, but at this point, this appears to be the only way we can do that. Therefore, in order that the elections take place and democracy prevail, I will reluctantly vote for this motion.

The Vice-Chair: Further debate? There being none, shall the amendment carry? All in favour of the amendment? All opposed? Carried.

Shall section 4, as amended, carry?

Mr. Hudak: Recorded vote.

Ayes

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

Nays

Hudak.

The Vice-Chair: Carried, as amended.

We now move on to 18. That's a Conservative motion.

Mr. Hudak: I move that section 5 of the bill be struck out and the following substituted:

“Commencement

“5. This section comes into force on the day, if any, on which a bylaw endorsing it is passed by the council of the regional municipality.”

Before I get to the amendment, I want to thank legislative counsel for their assistance, as well as Brampton and Caledon. I appreciate Mississauga's presentations as well. I think Mississauga was clearly in support of the bill; some speakers said, without amendment. But I do appreciate the amendments brought forward as suggestions from the municipalities, which we have brought forward. Some were our own ideas. There were certain principles brought forward in debate and discussion at the committee hearings. Without the help of legislative counsel, it would have been very difficult to craft appropriate amendments. So we do appreciate all of the work under some difficult time constraints.

This is our final amendment. While I did get the one friendly, I am holding out hope that this last amendment may win some support among my colleagues opposite. It basically ensures that the final say on Bill 186 and the construction of Peel council is determined at the regional municipality of Peel itself.

The opposition has expressed over and over again concerns that the government did not make adequate attempts to have a consensus of the three heads of the local councils, or even to allow debate at Peel regional council to take place on their own restructuring. This bill, if it is passed through third reading in the House as amended, with this motion before the floor, would at least allow Peel regional council to vote on whether they wanted to accept this new fate determined by Dalton McGuinty's Liberal government or their own fate. I hope it will pass.

Mr. Prue: I'm going to support this motion, because I don't think the people of Peel have been adequately heard. Notwithstanding the fact that we had one full day of representations that we heard in Mississauga and Brampton, the regional municipality of Peel has never had an opportunity to debate this bill. They've never had an opportunity to put forward their own ideas. Maybe they'll like this. If the government passes it and they like it, then I think they should have it, but I am reluctant to impose something upon that regional municipality which they themselves do not accept.

I heard Emil Kolb, who spoke quite brilliantly about the regional municipality and the need to forge some kind of consensus. He felt that the regional municipal members could have and should have been given that opportunity. This would in fact give him and his colleagues that opportunity. I know that he has provided good and sage leadership in the past, and would probably do so as well with the contents of this bill. If they determine, in their wisdom, that it is the way to go, then I would radically change my mind on what is happening here and wish them Godspeed.

Mr. Hudak: I don't mean to interrupt the parliamentary assistant, but I think my colleague Mr. Prue put it quite well on behalf of the official opposition. If this were put to a vote at Peel regional council to implement or not, the official opposition would of course respect the decision of Peel regional council as constituted today.

Mr. Duguid: As we come down to the final amendment here, I want to thank all members of the committee on all sides for their input; the deputants, who have provided us with some excellent deputations during our hearings; and our staff, who have worked diligently to put together this bill and ensure that the motions were crafted in a way that was effective.

All that being said, it's very important we move forward with this initiative to ensure that there is balance on Peel regional council. That's something that this bill recognizes, that there's balance. It also ensures that we move a little bit more in the direction of fairer equity, in terms of representation on the council. With Mississauga having 61% of Peel's population and only 45% of the councillors, it's pretty obvious why they had problems with the status quo. It's obvious to me that it's OK, in terms of the opposition, to just live with the status quo, that the status quo is OK. The motion in front of us today would simply have the effect of delaying taking any action even further, which would make the proportion in terms of representation even worse than it is right now. I think that would be dissing the people of Mississauga. They're not second-class citizens; they deserve to have consideration for their concerns, as residents throughout Peel do.

What this legislation does is provide a balanced approach that ensures that no local municipality, no caucus from Caledon, Brampton or Mississauga, will be able to control the council in and of themselves. It forces them into a dynamic that they will have to work together in selecting a neutral chair and getting on with the very important business that the people of Peel expect of their representatives, to continue to manage a regional municipality that has been managed very well in previous years.

Mr. Hudak: To the parliamentary assistant: I think we need to remind those watching and for the record that the defender of the status quo, up until about February, was Dalton McGuinty, the Premier himself, and the Minister of Municipal Affairs and Housing, when they reassured the people of Peel and the municipal leaders of Peel—

Mr. Prue: And the Minister of Finance.

Mr. Hudak: I think they hoodwinked the Minister of Finance, which ain't easy; he's a smart fellow. The Minister of Finance actually went on record saying that they wouldn't restructure, and their own members from Brampton, who have spoken in the House about their opposition to this bill—the member from Brampton Centre herself had reassured the public that nothing would be imposed. So we can't forget that for about a

year of this debate, Premier McGuinty was on the record as not getting involved in decisions. Then something in February happened, and they changed their minds and have imposed a solution. We believe that the three mayors, all very strong women, strong mayors, could have come forward with their own plans and worked with regional council to continue to improve the work of the region of Peel.

We regret the way this bill has been brought about, and while I did have one amendment pass, I regret that others did not pass which would have at least allowed the bill to be reopened and have a more democratic selection of the chair, I say to the Chair of the standing committee. Again, I do hold out hope that the ultimate decision-makers on Peel restructuring would be the directly elected members of Peel regional council themselves, if the motion on section 5 that I have before the committee today were to pass.

The Vice-Chair: Further debate? There being no further debate, shall the amendment carry?

Mr. Hudak: Recorded vote.

Ayes

Hudak, Prue.

Nays

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

The Vice-Chair: The motion fails.

Shall section 5 carry?

Mr. Hudak: Recorded vote.

Ayes

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

Nays

Hudak, Prue.

The Vice-Chair: Section 5 is carried.

Shall section 6 carry? All in favour? All opposed? Carried.

Shall the title of the bill carry? All in favour? All opposed? Carried.

Shall the bill, as amended, carry?

Mr. Hudak: Recorded vote.

Ayes

Berardinetti, Cansfield, Colle, Duguid, Mitchell.

Nays

Hudak, Prue.

The Vice-Chair: Carried.

Shall I report the bill, as amended, to the House? All in favour? All opposed? Carried.

The meeting is adjourned.

The committee adjourned at 1150.

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Clerk / Greffier

Mr. Trevor Day

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